THE CHINA WEEKLY

REVIEW

Devoted to the Economic, Political and Social Development of China and its Intercourse with Other Nations

How to Fight Communism in China!

The Shanghai Crime Situation

Japan's 'Altruistic' Plans in Manchuria

Another Big Job for Admiral Bristol

By Claire Price

America Should Clarify Her Relations with China

Some Problems of the New Nationalist Government

By J. B. P.

密勒氏評論報

SATURDAY, OCTOBER 1, 1927

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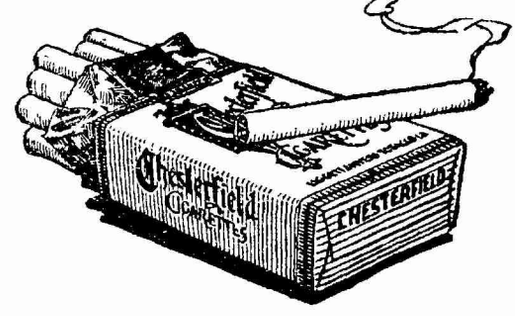

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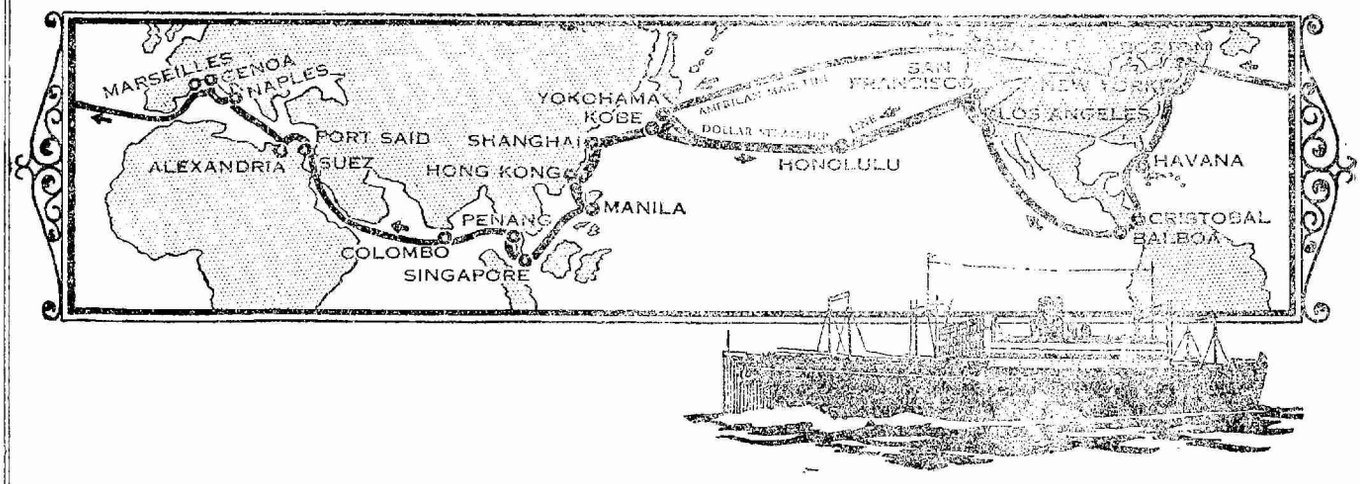

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PRESIDENT JEFFERSON, August 27.

from U. S. A.

Copper Ingots	Pls.	420
Lead, in Pigs	,,	1,681
Canned Asparagus	,,	483
Bacon	,,	2
Coffee	,,	56
Canned Fruits	,,	836
Fruits, Dried	,,	35
Hams	,,	4
Ink, Printing	,,	17
Leather, Calf	,,	3
Leather, Sole, Shoulders	,,	115
Leather, Sole, other kinds	,,	10
Macaroni	,,	23
Oats, Rolled	,,	122
Oranges, Fresh	,,	185
Paper, Wrapping, Waxed	,,	139
Prunes, Dried	,,	19
Raisins	,,	2,155
Shrimps, Dried	,,	3
Baking Powder	Doz.	270
Canned Sardines	,,	100
Oil, Lubricating, Mineral	Galls.	38,536
Lemons, Fresh	Mille	216
Clocks	Pcs.	66
Motor-cars	,,	7
Chocolate	Lb.	960
Treasure:		
Silver Bars	Hk Tls.	920,675

Ftom Honolulu.

Canned Fruits	Pls.	367

CUBA MARU, August 29.

from U. S. A.

Ammonia, Anhydrous	Pls.	34
Gum, Rosin	,,	5,401
Starch	,,	756
Oil, Kerosene, in bulk	Galls.	156,000
,, ,, ,, Cases	,,	570,100

PRESIDENT McKINLEY, September 1.

To Honolulu.

Brassware	Pls.	9

To San Francisco.

Tea, Green:		
Hyson, other Ports	,,	36
Young Hyson, other Ports	,,	23
Gunpowder, Ningpo.	,,	314
Brassware	,,	113
Cigarettes	,,	27
Egg Albumen, Dried	Pls.	672
Intestines, Pigs'	,,	29
Oil, Wood	,,	13,500

To Los Angeles.

Tea, Black, Congou, Kiukiang	,,	30
Tea, Green:		
Gunpowder, Ningpo.	,,	113
,, other Ports	,,	8
Brassware	,,	28
Egg Albumen, Moist	,,	117

To Hoboken.

Silk, Raw, Steam Filature: White, Shanghai Bls. 20	Pls.	19,96

To Houston.

Hair, Human	,,	52

To Buffalo.

Silk, Raw, Steam Filature: White, Shanghai Bls. 20	,,	20.34

To New York.

Silk, Raw, Steam Filature: White, Shanghai Bls. 25	,,	25.04
Silk, Piece Goods	,,	2.74
Antimony, Regulus	,,	420
Brassware	,,	119
Intestines, Pig	,,	29

CALCUTTA MARU, September 2.

To Montreal.

Tea, Black, Congou, Hankow	Pls.	13

To Boston.

Tea, Green:		
Gunpowder, Ningpo	,,	93
Hyson, other Ports	,,	13
Young Hyson, other Ports	,,	58
Wool, Sheep's	,,	138

To Toronto.

Tea, Black, Congou: Hankow	,,	198

To San Francisco.

Tea, Black, Congou, Hankow	,,	33

To New York.

Silk Pongees, Honan	,,	32,40
Tea, Green:		
Gunpowder, Ningpo.	,,	166
Hyson, other Ports	,,	151
Young Hyson, other Ports	,,	12
Tea, Black:		
Congou, Kiukiang	,,	62
,, Hankow	,,	703
Other Kinds, Kiukiang	,,	22
Other Kinds, other Ports	,,	7
Antimony, Crude	,,	924
,, Regulus	,,	1,260
Bristles, Assoted	,,	185
Hog Casings	,,	53
Egg Whole, Dried	,,	210
Hides, Buffalo	,,	139
Nutgalls	,,	167

PRESIDENT GRANT, September 2.

From U. S. A.

Bacon	Pls.	14
Fish, Fresh	,,	3
Hams	,,	25
Ink, Printing	,,	2
Lard	,,	30
Lead	,,	420
Leather, Cow Patent	,,	4
Macaroni	,,	7
Milk, Condensed	,,	720
Tinned Plates, Plain	,,	840
Bedsteads, Frass	Pcs.	28
,, Steel	,,	136
Motor-cars	,,	10
Cotton Knitted Underwear	Doz.	63
Hats, Felt	,,	34
Timber:		
Softwood, Ordinary, Sawn	Sup. ft.	175,342
Softwood, Merchantable, Manufactured	,,	312,355

Weekly Cotton Market Report

By J. Spunt & Co.

China Cotton:—While there has been very little demand for spot deliveries, a fair volume of business during the past week may be recorded on the new season cotton with deliveries in October, November and December, done at prices about Tls.1.50 per picul lower than transacted during the previous period in that the reports now being received from the interior are all encouraging as to the local crop outturn for the season 1927/8 being fully up to average.

Due to the persistent depression in the yarn trade and continued gloomy and uncertain political situation, a fair number of the Chinese Mills, both in Shanghai and other ports have temporarily stopped work.

Considering the gradual declines now in progress in Mid-Americans at a time when so much uncertainty exists as to the ultimate yield of the new season crop the present growth of which, according to reports, is heavily infested with the boll-weevil, there is every likelihood of experiencing sharp reactions at any moment and any reaction of this nature would also affect the Indian Market which so far has remained in a steady position. Extreme vigilance therefore is advisable in noting developments from day to day in order to take advantage of suitable rates for immediate or future requirements.

Yarn:—Our market during the past week has shown no improvement whatsoever, due to the continued meager demand from interior marts and weakness of raw material, and without any great excitement prices were carried down Tls. 2.00 to Tls.3.00 from the level of a week ago. Business for export has been booked some 3000 to 4000 bales in all counts.

Liverpool:—

American-Middling	11.52
American-Middling last reported	12.08

New York Market:—

Price of Mid-Amer.	20.70	Spot.
	20.20	Oct.
	20.54	Dec.
	20.54	Jan.
	20.82	Mar.
	21.00	May.

Tone of the Market, *Easier*

Tone of the market—*Weak*

Indian Market:—

Fully Good Bengal, D./J.	347
Fine Oomra, July	387
Fully Good Broach, J./A.	421

Tone of the market—*Easier*

Shanghai Market:—

	Tls.
Tungchow, spot exwharf	40.60
Shanghai, Spot	38.00
M. Ginned, Spot	38.25
Shensi, No. 1 Spot	39.00
Ningpo, Spot, Exwharf.	35.40

Tone of the market—*Weak*

Shanghai (Chinese) Municipality Finance

At a meeting of the officials of the department chiefs of the Shanghai (Chinese) Special Municipality held September 21 at the Mayor's office, Cho Yun-leng, chief secretary, presided in the absence of Mayor Chang Ting-fan.

Wang Ho, acting chief of the Finance Department, gave the following statement of receipts and expenditures:- Receipts —$59,711.30 (carried over from the previous administration)

Expenditures—$77,195, salaries for the mayor's office and ten departments; $48,700, salaries for the police; $82,491, for construction works, making a total of $208,386.

Mr. Wang explained that as regards the expenditure account, the previous administration had raised $43,113, leaving the sum due at present as $165,273. Carrying over the $59,711 now on hand. Mr. Wang said that a sum of $10,556.20 had to be raised to make up the balance. The following sources were suggested as those from which the required sum could be raised: $20,000, from various taxes; $18,000 from the proceeds of the taxes on the Race Course; $11,541, from the proceeds of the taxes already collected on the Race Course in custody of the Kiangsu Provincial Bureau of Finance and now due to the Municipality; and $38,849 from the Provincial Bureau of Finance as allotted to the Police.

(*Continued from page 136*)

Japanese *Toho* report from Hankow states that Gen. Tang Shen-tse may not permit the defeated troops of Gen. Chin Yun-ao to enter Hupeh owing to fear of this causing trouble with Feng Yu-hsiang—*Toho* report also states that there is considerable animosity in Hankow regarding the results of the recent Nanking Conference; reported that Gen. Tang will recognize the Nahking Government as *de facto* and will maintain friendly relations—Chinese General Chamber of Commerce at Shanghai gives reception for Dr. C. C. Wu, Foreign Minister and Sun Fo, Finance Minister at which the chairman of the Chinese chamber congratulates the Nanking leaders on the reorganization of the Government—Feng Yu-hsiang appoints Gen. Ma Gi-ti in place formerly occupied by Chin Yun-ao—*Kuo Wen* report states that Sun Chuan-fang has succeeded in raising sufficient money somewhere to purchase 18,000 new rifles for another advance against Nanking—Sun Fo interviews leading Chinese bankers and merchansts at Shanghai on the question of finance for Nationalist Government.

September 27—Wang Ching-wei, former chairman of the Kuomintang Central Executive Committee, in *Kuo Min* report from Haukow, declares that the task confronting the Hankow Political Council is two-fold: extirpation of the communists in the South and the Militarists in the North, but that these two things alone are not sufficient, for the Nationalists must prove themselves to be better than the northern militarists and as for the communists it is highly necessary that the Nationalists do something to improve the status of the laborers and peasants—Chang Ting-fan, mayor of Shanghai-Woosung Special area appoints Tai Shih-fu as head of the local Pubic Safety Bureau, formerly the Shanghai-Woosung constabulary—Gen. Hwang Hsiao-hseung subordinate of Gen. Li Chi-sheu at Canton advances his troops against the 'communist' troops at Swatow—Gen. Ho Yin-chin, field commander of the Nationalist First Route Army, announces that the First Nationalist army has been reorganized into three army corps under generals Liu Sze, Koo Tsoh-tung and Chien Tai-chun, and that in future he will deyote himself to the sole command of the First Route Nationalist Army—*Kuo Min* report from Nanking alleges that Gen. Tang Shen-tse has announced his allegiance to the Nationalist Government at Nanking—*Toho* report from Hongkong states that Gen. Chang Fa-kwei has assumed direction of affairs in Canton and that Gen. Li Chi-shen and his subordinate generals Huang Hsiao-hseung and Cun Hui-jih as well as other appointees of Gen. Li, have departed; report, however unconfirmed—Peking report by *Toho* states that the Chihli-Shantung troops formerly at Taming in Northern Honan have entered Shuteh which has been evacuated by the Shansi troops, bnt that Shansi troops are still occupying Shihchiachuang and that Gen. Yeh Hsi-shan, tupan of Shansi is not friendly toward Fengtien—Sun Chuan-fang returns to Shantung from Peking and announces his plans for resuming the war against the Nationalists—Chang Tso-ling announces new style uniform for the commanders of the Fengtien army and Navy, according to *Toho* report, which states that the new uniforms are to be made in Tokyo—Japanese report states bandits prevalent at Haichow—Two delegates from Wu Pei-fu arrive in Tsinanfu to interview Sun Chuan-fang and Chang Chung-chang—Chang Tso-ling summons Chung-chang to Peking for conference—Yang Yu-ting, chief of staff of Fengtien in *Kuo Wen* interview from Mukden, declares that negotiations with Japan over Manchurian and Mongolian questions will not be started until the anti-Japanese agitations in Manchuria have been stopped—Chang Tso-ling arrests more students for alleged communist activities.

(*Continued from page 132*)

Northern Advance Off for Present

In view of the various military complications now confronting the Nationalist Government, it would appear that the Northern Punitive Expedition, would have to be postponed, despite the fact that the Manifesto put out by the new government following the recent Nanking Conference, declared that the Northern Expedition was to be continued. The Nationalist Government is, however, steadily transporting troops across the Yangtsze River at Nanking and Chinkiang and consolidating its position on both the Tientsin-Pukow Railway and the Grand Canal in northern Kiangsu. A report from Peking on Monday, Sept. 26 quoted Sun Chuan-fang as declaring his intentions to make another attempt to drive the Nationalists out of Nanking. This is about the only sign of immediate military activity with the possible exception of another report from Peking also on Monday, stating that Gen. Chang Chung-chang, tupan of Shantung was preparing to advance westward along the Lung-Hai line from Hsuchowfu for the purpose of attacking Feng Yu-hsiang who is reported to have some 10,000 troops under Generals Li Hu-chen and Yang Hu-chen at Huiteh which is located in eastern Honan near the northern Kiangsu border, and less than 100 miles from Hsuchowfu which latter place is held by Chang Chung-chang.

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Grover Clark, Editor

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Formerly Millard's Review

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THE SHANGHAI CRIME SITUATION

IN THE LARGE cities of America it has been found that there is usually a close relationship between the prevalence of crime and the disorganization and inefficiency existing in police departments. The city of Chicago which has an unenviable crime record has largely placed the blame upon rotten politics and inefficiency in the police department. According to reports in the Chicago newspapers it often appears that the police, the gunmen and the bootleggers are in partnership. Here in Shanghai where the police department maintains an effective censorship over the local press, foreign and Chinese, it is difficult to get at the trouble, but occasionally somebody lifts the lid a bit for the public to look in This happened recently when readers of the local *Shanghai Times* were astonished one morning to read an editorial criticising the methods of the Shanghai police in suppressing legitimate news. We reprint the *Times'* comment.

"Yesterday (Sept. 13) a crime was committed in the heart of Shanghai. Its actual scene was outside of the Post Office at the north end of the Szechuan Road Bridge. At noon or shortly after a motor car containing a kidnapping party with its victim was held up by a traffic jam whilst waiting to go north. The kidnappers' victim saw his chance and leaped from the car. Shots were fired. Hundreds of pedestrians saw the crime. Their versions varied considerably—which further shows the need for accurate Police information if the public is to be correctly informed as it has a right to be. During the afternoon the telephone into the office of "The Shanghai Times" was busy. Varied reports came in. Sifting them down it was deduced that one kidnapper had been shot dead, and one policeman had been wounded.

"This crime happened in Hongkew Police District at noon. At 4.15 p. m. the Inspector in charge of Hongkew Police Station was asked by a member of the Press for details. The answer was curt but courteous: "I know nothing about it. Call the Commissioner of Police." That was four hours after the crime had taken place. Thirty minutes later, the Commissioner of Police, Captain E.I.M. Barrett, was telephoned. The answer came back that the Commissioner was not in. When Police Commissioners are not in their office it may be assumed that they are at home. Acting upon this information a telepone call was made at Captain Barrett's house at 6.13 p.m. The answer was that the Captain was not in, but "Call the Country Club." The Country Club was called at 6.17 p.m. and a search was made of the premises but at 6.27 p.m. it was announced that Captain Barrett was not in. However, the Police Inspector at Hongkew Station appealed to again said: "Yes, there was a bit of a shooting. There was a kidnapping and shots were exchanged between Police and kidnappers." He seemed reluctant to proceed further, and again the attempt was made to find Captain Barrett. At 6.38 p.m. Central Police Station Chinese Telephone Clerk announced that the Police Commissioner had left his office before 5 o'clock and had left no word where he might be found in case of emergency. It was recommended that the Press should call the Commissioner at his home. Two more calls at his home at 6.45 p.m. and 7.03 p.m. brought the answer that the Commissioner was not in, and furthermore

had left no word where he might be found in the event of an emergency—not that another May 30th Nanking Road shooting was contemplated—but the Press did want to get accurate information from the Police upon a shooting affray which the Public had witnessed and of which they were interested."

IT'S UNNECESSARY to comment further on this incident for the editor of the *Times* told the whole story. How he ever got up sufficient courage to do it we do not know, but he did it and all honor to him for telling the truth, an unusual journalistic virtue in this 'Paris of the Orient,' Space is too limited for an analysis and detailed discussion of all that is wrong with the Shanghai police department, but perhaps a few of the high lights may help. In the first place the Shanghai police department is top-heavy with foreigners, most of them being of one nationality. In the second place, the Police Department has forgotten that it is the servant of the Shanghai tax-payers and has become a little bureaucracy, where politics, favoritism, social standing, have more to do with advancement in the service than anything else. Men are selected for the top jobs not because of merit, but because they are good cricket-players, or because of politics or something else which has little or nothing to do with genuine service to the public. We have known of frequent cases where police officials spend more of their time at clubs and bars than in their offices or on duty. In the third place we know of no police department in the world outside of Shanghai where the municipality provides space for a semi-public bar or canteen in every police station. How can the public expect efficiency or accuracy of judgment when policemen frequently go on duty while under the influence of intoxicants. And here of all places where racial elements constantly prevail as they did in the Nanking Road incident of May 30, 1925. And finally, there is the matter of the almost wholesale employment of White Russians. We do not have the correct figures, but we imagine the number of White Russians employed in the Police Department or affiliated service, the paid volunteers, to be well above the 150 mark. In former years Shanghai recruited its policemen from ex-service men in England and good men they were, but now, for some inexplicable reason unless it is associated with the anti-Soviet complex, all of the recruits come from the White Russian refugees who drift into Shanghai. In this connection the Shanghai Municipal Council seems to be competing with Marshal Chang Tso-ling and his subordinate Gen. Chang Chung-chang in Shantung where standing armies of White Russians are maintained. We have no desire to reflect upon the character of the White Russian who occupies a pitiable position, being without country or permanent home but we maintain it is bad business for Shanghai to be loading up its municipal service with men of this political complexion. In the first place they are avowed counter-revolutionists or interventionists, from the standpoint of their home land. In the second place, their position as political refugees largely unfits them for service in Shanghai where they are brought into active contact with Chinese political currents often not unassociated with Russian and European politics. In the third place the anti-Soviet complex which prevails in official British circles in Shanghai plays into the hands of the White Russian elements who often use their official positions for political activities absolutely opposed to the welfare of this community. And finally it is a fact which anyone with an inquiring mind can determine, most of the White Russians, particularly since the break between England and the Soviet, have become secretly or openly anti-British. We make no claim for expert knowledge on how a police department should be operated, being merely one of the public which foots the bills. But that something is wrong in the Police Department is self-evident in the daily crime record portrayed in the press and, owing to the censorship, all of it does not get into the press by any means. The 1925 labor and political troubles in Shanghai which constituted the beginning of Britain's complications in China, had their start with the Shanghai Police Department. Those who question this are recommended to read the report of Justice Johnson who investigated the May 30 incident. The Police Department should be the best and most efficient branch of the Shanghai Government. It comes very near being the worst. By all means it is the most important, for here it is that the Government comes into contact with the public, largely Chinese. It is here that the incidents start and it is not beyond imagination that something might happen as a result of police inefficiency that might set this town ablaze and finally result in the complete breakdown of the local government. But no one in authority seems to have thought of this, and if they did they apparently are powerless to effect reforms.

HOW TO FIGHT COMMUNISM IN CHINA!

THERE IS a lot of political bunkum in this anti-communism talk now so prevalent in China, but we will grant for the sake of argument that at least two elements in the political picture are sincere in their protestations. Foreign nations which come under the general classification of 'capitalistic' oppose the spread of communism in China for reasons directly concerned with the preservation of the so-called established order. Chinese of the commercial and financial classes, and this now includes the present Nationalist Government which has swung to the right, oppose the spread of communism in China for reasons intimately concerned with the primary instinct of self-preservation. If communism should come in, they would go out; that's all there is to it. We do not believe that China could ever go communistic, but there is a possibility of a social-labor revolution and there are many intelligent thinking Chinese who believe that nothing short of a revolution of that character would be sufficient to stir up China from its centuries of lethargy and make a modern nation of it. But the prevailing tendency today is toward conservatism and there is elation that the Bolsheviks have been licked. But whether the Bolsheviks are going to stay licked depends upon two things: From the standpoint of the Powers, and this means America, Great Britain, Japan and France, primarily, it is vital that they should move as quickly as possible to prove their sincerity in respect to treaty revision. The moderate-minded Chinese both in the Government and out, have now pretty effectively eliminated the so-called communistic and pro-Russian elements to an extent that it is no longer popular or fashionable to profess friendship for the Soviet. The Chinese have turned against Russia as the savior of China, largely because they have been persuaded that there are more benefits on the other side. Therefore it is up to the Powers to prove that there are more benefits on their side, otherwise the Chinese will lose faith and return to the friendship of the Russians. China can't stand alone; she must get foreign help somewhere. If America, Britain, Japan and France can offer better remedies and service than the Russians, China will accept their advice, but if the Powers fail, then China will return to the Russian practitioners.

TURNING from the Powers to the Chinese side of the picture, we find in the Manifesto issued by the Nationalist Government on Sept. 23 a definite declaration against communistic activities, particularly against the Communist Party. The declaration states that the communists have "stirred up class struggles, caused havoc among the agricultural, industrial, commercial and intellectual elements in the country, inciting them to mutual conflict with a view to bringing thereby the gradual disintegration of the revolutionary forces." Then following this the Government declares that it intends to carry out reconstruction plans, the most important features of which are the "equitable distribution of land, the regulation of capital, and the creation of a national reserve for the purpose of promoting various industries beneficial to the people. . . that the problem of the people's livlihood during the stage of political tutelage, may be adequately and properly solved." It is in this last recommendation that an antidote for communism or rather, a social-labor revolution, may be found. The reason that communism or socialism or bolshevism appealed to the Chinese labor and peasant elements in southern and central China was due purely to the fact that these doctrines held out something leading toward a betterment of existence. We know of nothing more depressing than conditions prevailing among the Chinese laboring and peasant elements and this includes at least 80 percent of the people in the country. So long as they knew no better, they continued in the state to which they and their ancestors had been accustomed. But now that a little light has been let in and they realize that human beings in other lands do not occupy a position of mediaeval serfdom, there is going to be the very hell to pay shortly in China, unless something is done by the Chinese ruling classes to prove their sincerity when they state they have an antidote for communism. Unless the present Nationalist Government proves by deeds and actions that it is sincere, it will not be able to enjoy office for long. The Chinese laborers and peasants will rise in their might and throw them out and create a new state more to their liking. Therefore, on both sides, the Powers and the Chinese rulers, there is urgent need for action, and these are not empty words by any possible interpretation.

THE DEVELOPMENT OF NATIONALISM IN MANCHURIA

THE SUDDEN development of a general anti-Japanese or nationalistic movement in Manchuria, has provided grounds for much speculation. In official circles in Japan, the belief prevails that Marshal Chang Tso-ling is secretly stimulating the movement in order to relieve himself of the necessity of carrying out certain commitments which he has made with the Japanese in order to obtain financial assistance in his campaign against the Nationalists in South China. On the other hand, many foreigners believe that the Japanese have secretly stimulated the disorder in order to provide an excuse for stepping in with their military under the guise of preserving order and thus camouflaging their actions for making Manchuria a Japanese province. The *North-China Daily News*, the 'official' British newspaper in Shanghai, in its analysis of the situation naturally attributes all of the trouble in Manchuria to the Bolsheviks. Thus we have three interpretations of a situation which in our opinion is nothing more than the development or spread of nationalism in Manchuria. Heretofore both Chang Tso-ling and the Japanese have traded with and bartered Chinese national interests in Manchuria without any idea of consulting the wishes of the Chinese people in that area, the number of which, according to recent estimates exceeds 20,000,000. It is foolish to imagine that nationalism, or patriotism, or anti-foreignism, or whatever one wants to call it is confined to South China and the Yangtsze Valley, Persons who do this overlook the fact that the same movements which have stirred the Chinese in the southern and central sections of the country are also prevalent in the North, although kept under cover by the iron rule of Chang Tso-ling and the Japanese. The anti-Japanese movement resulting from the Shantung award in the Paris Peace Treaty really started in Peking and spread southward. Therefore it is but natural that the Chinese people in Manchuria should themselves become interested in what is being done to them and their interests and start protesting. Both Chang-Tso-ling and the Japanese are now trying to suppress the agitations in Manchuria, which in our opinion, based upon what has happtened elsewhere in China, is the best possible way of s imulating them.

WHO'S RIGHT AND WHO'S WRONG?

A RESIDENT of Shanghai who has been on a trip of several months in which he toured America, Great Britain and France, returned to Shanghai a few days ago. While abroad this Shanghai resident made it a point to discuss China with about everybody he met and this included newspaper editors, reporters, business and professional men, hotel clerks, taxicab drivers and some government officials. "The most significant thing," stated our friend, "was that there is very little interest in China questions. In America everybody was crazy about the trans-Atlantic flights and in England it was greyhound racing. Everybody was talking about these things and it was difficult to indûce anybody to talk seriously about China. But when I finally got a man cornered and forced him to talk about China I found that he had made up his mind on ths subject and that was all there was to it." Thie naturally inspired the question as to the prevailing public opinion in respect to such questions as intervention, the future status of Shanghai, and so on. The reply in practically all cases was along the line that China belonged to the Chinese and the Chinese should be permitted to work out their own salvation without outside interference. Continuing along this line our informant declared, "Public opinion in America and England is almost unanimously opposed to the prevailing or 'official' opinion among foreigners in Shanghai. Whether we are right and the rest of the world wrong, or whether Shanghai is wrong and the rest of the world right, I am not in a position to say. But the facts are that about everybody I met in America and England are 'agin' us, and that's that!"

AND THERE is sound reason for this situation. The world is well past the stage where It gives a care regarding the so-called speciai position of the little foreign communities located on Chinese soil. They are, to use a slang phrase, 'bored to death' with arguments that they should do this or that in respect to the issues outstanding between the Chinese and their foreign guests. And when the argument is pressed too far, they change the subject to the Atlantic flights or the Tunney-Dempsey battle. In America the chief interest at this time is in the coming presidential race which promises to be a hot

one with religion mixed up with politics. Everybody is prosperous and contented and nobody wants to argue about China. In England politics is also beginning to warm up a bit with prospects of an election in the offing and indications pointing in the direction of a labor victory. This situation in America and England is reflected in the activities of the newspaper correspondents. Practically all of the 'specials' or headliners who were sent out here last spring have departed for other fields, leaving China news to the regulars permanently stationed in China and they are all being held down to the briefest of cables. During the past month the most important 'story' which was wired home from China, that is, from the standpoint of length and cable tolls, had to do with the marital complications of General Chiang Kai-shek. This shows the trend and there should be a lesson in this for foreign residents of China. The interest of the American and British peoples and their governments in the welfare of their fellow residents in China is strictly limited to the protection of lives and properties and goes no further than this. There is absolutely no interest in any sort of military adventure on the coast of Asia and very little interest in the maintainance of anybody's 'special position' under the old treaties. Whether this attitude is right or wrong is a debatable question. We believe the home people are right, but what we believe and say can have little effect on the situation which seems to have become stabilized at this point. And, as stated previously, That's that!

HUTCHINSON'S "WHAT AND WHY IN CHINA"

PAUL HUTCHINSON, formerly engaged in editorial work in China and now editor of the "Christian Century" of Chicago has just written a most useful book about China. The book is entitled, "What and Why in China," and is published by Willett, Clark and Colby, Chicago. We say the book is "most useful" because it was written for the service of the American newspaper reader who is interested in the question," What's the News from China?" Mr. Hutchinson attempts to answer this question by telling briefly and entertainingly the fundamental factors behind the news which the correspondents in China send to the home newspapers. In the introduction, Mr. Hutchinson declares that "There is no reason why any intelligent American should not have a clear idea of the controlling factors in the Chinese situation . . . While there are all sorts of details in the picture that the specialist in oriental affairs sees, it is quite possible for the casual reader to discover the main elements in the composition, and so to see a picture that is both simple and true." In the first chapters Mr. Hutchinson gives briefly the background for the present revolution. "China had kept herself clear from contact with the western world until about the time George Washington was first president of the United States," the author tells us. "The result was a struggle that started soon after the opening of the last century and that ended, after various wars, with the cession of certain outlying territories to foreign nations, with the establishment of 'treaty ports' in which foreigners could live and carry on business, with the granting of land at certain of these ports as 'concessions' (in effect, small foreign colonies) with the marking out of huge 'spheres of influence' within which these foreign nations were to have paramount commercial rights, and which some of them certainly hoped ultimately to annex."

BY 1900, Mr. Hutchinson tells us that foreign encroachments had driven the Chinese to the point of madness. "Great Britain had her series of seaport colonies running all the way along the coast from Hongkong at the extreme south to Weihaiwei at the extreme north, and her sphere of influence blanketing the Yangtsze Yalley all the way from Shanghai westward to Tibet. France had her French Indo-China and her trade-mark on the great southwestern province of Yunnan. Germany had her Tsingtao (fateful name at Paris in 1919) and her mark on the sacred and teeming province of Shantung. Japan her Formosa, and her mark on the province of Fukien. Russia had her mark on Manchuria and Mongolia. Westerners were writing books on the 'Break-up of China' and telling what portions of the prize were to be allotted to each grabber." The author then tells of the influences which produced the Nationalist Movement, the struggles between the tuchuns with a discription of the activities of the leading ones, and an entire chapter on Sun Yat-sen. In next to the last chapter he summarizes the situation to the following effect:

"Sixteen years ago (1911) the decadent empire of China, under pressure from without and within, fell.

"This left a vast country, containing a quarter of the world's population, adrift.

"Two types of leadership were offered this country: (1) The leadership of personal authority, exemplified in Yuan Shi-kai, (2) The leadership of democratic ideas, exemplified in Sun Yat-sen.

"China chose the first.

"Accordingly, it had its period of strongman rule, under Yuan Shih-kai—

"Who died after vainly attempting to found a new empire—

"And left a crop of lesser imitators, called war lords and tuchuns, among them such outstanding ones as Wu Pei-fu and Chang Tso-ling—

"Who have spent nearly ten years quarreling and fighting among themselves until at last they have succeeded in practically eliminating each other.

"*But in the meantime*—

"The dream of a China built on democratic ideas persisted.

"It was kept alive by Sun Yat-sen and his followers in a political party called the Kuomintang—

"Which made its headquarters in Canton, in south China—

"And spent almost ten years building up its strength there, while the war lords were spending the same period exhausting their strength fighting each other in north China.

"*Likewise in the meantime*—

"Events, happening under the surface, were preparing all China for a new day. We lump these events together as the birth of a new nationalism, which was fostered by—

"The growth of the student movement;

"The growth of the mass education movement;

"The growth of the labor movement;

"The growth of the anti-foreign movement;

"The anti-foreign movement owed its growth to such things as—

"The rememberance of ancient wrongs at foreign hands;

"Modern wrongs, such as the Japanese Twenty One Demands; the Shantung award; the Shanghai student shootings;

"The unequal treaties;

"White arrogance.

"All these things came to a head last year, (1926) when a nationalist movement, sponsored by the Kuomintang, started from Canton—

"And traveled north until it reached the Yangtsze River—

"Then east until it reached the Pacific ocean—

"Thus conquering all the territory in the southern half of China, which is now under nationalist rule—

"Eliminating the war lords who were south of the river—

"And leaving only one war-lord in China north of the river (Chang Tso-ling) whose final authority, if he retains any at all, will be north of the great wall.

"However, at the moment, the nationalists are divided between two parties—

"A moderate party, which believes that China can adjust her relations with other nations through negotiation, and—

"A radical party, which believes that China must use the same methods with foreign nations that she is using with her own war-lords.

"If the moderates win, then foreigners should be able to adjust themselves to a new situation in China without long delay.

"But if the radicals win, then the foreigners will have either to (1) surrender their rights without dispute, or (2) fight.

"And—

"It depends largely on the success which the moderates have in dealing with the foreigners whether China as a whole finally—

"Goes moderate or radical."

"THE QUEENS OF SHANGHAI"

THE RUSSIAN community in Shanghai—which is now by far the largest white community here—is still discussing a series of letters which appeared several weeks ago in the white Russian newspaper *Zaria* on the subject of Russian womankind. The ball was started rolling by an article entitled "The Queen of Shanghai." In this the writer stated: "The most beautiful women in Shanghai are the Russians. This is a fact which is everywhere acknowledged, and above all by the English women." The writer then referred to the correspondence which appeared in one of the English papers in Shanghai about a year and a half ago, and mentioned a fact which may not be generally known, namely, that much of this correspondence was republished both in Europe and America. The writer mentioned that Russian womankind in Shanghai has been a subject of worldwide attention while the Russian women, themselves not knowing the English language, knew nothing about it. It may be recalled that in the correspondence a year and a half ago an English women bewailed the fact that the Russian women were proving so attractive that inroads were being make into British family circles. There was however one Russian woman who knew enough English to understand what was going on and in a caustic letter she replied that the real reason why British women were less attractive than Russian women was that the English women generally played too much golf and tennis and came home in the evening "too tired to do anything." At any rate many of the Russian woman are proud of their conquests and figuratively speaking (according to the Russian writer) may be seen going down the street proudly waving a banner entitled "Woe to the Vanquished.!" On the whole, however, the writer of the article. "The Queen of Shanghai" rather advised the Russian women not to marry "foreigners", that is other than Russians. Many things, he pointed out, were in the way of a happy union. Differences of religion, temperament and tradition, and also patriotism were involved. It was true that a young Russian lady would be tempted by the better clothes that the average Englishman wore as compared with the Russian men; then also they had vistas of a villa as compared with their present hard lot in the upper story of some Chinese house, and of course there would be a motor car! But the clothes and the motor car were frequenty unpaid for, and the wife would get a good knowledge of English writing by studying the husband's signature to the chits as they came in. Then also on the subject of temperament. The Englishman's life was bound up in his office, his club, and his golf. After the honeymoon the Russian wife would be very much left to herself, the husband merely saying as he came home in the evening, "Kiss me little one. I am going to my golf party."

THE subsequent correspondence covered a wide range. One writer referred to the fact that the majority of the waitresses and habituees of dance halls were Russian women. Acknowledging this fact another took up the cudgels of these women saying that they were to a certain extent victims of their attractiveness, but at any rate many of these women were quite respectable, married, with children, and had no other means of making a living. One Russian woman, however, seriously challenged the statement that there were no other means. She gave her own example; she came here with her husband and two children, absolutely without any money, of a good family and weak in physique, but no bar room for her! She did ordinary rough labor, sewed, washed and ironed, and what not, in order to feed the family, and if this should have failed—still there was the church and prayer, and she had every faith that in the end if her own means had failed some person with the Christian spirit would have come to her relief Still another correspondent brought out the point that if the standard of Russian womanhood in Shanghai was not up to that of other communities, it was partly explained by their relative poverty, but to a great extent it was the whole Russian community's fault. He cited an example where a wife was working as a modiste and the daughter in a dancing hall, while the father was well dressed, doing nothing, and spent a great deal of time acting as "friend" to another family, one of the members of which he recently insulted by making love to. Another correspondent pointed to the fact that large numbers of Russian women were earning a respectable living as salesladies in shops, and their lot and that of all other respectable Russian women was made harder by the fact that so many of their "sisters" were engaged in such derogatory occupations as barmaids or as dancing "girls" in road houses.

THE influx of the Russians, both male and female, during the past decade or so, has changed the whole character of Shanghai life. Up until the Russian "invasion", the largest white community by far was the British. Shanghai was largely a "man's town," the number of white males far outnumbering the white females. Hundreds of young unmarried men came out to Shanghai from England, and also from America, many of whom found themselves in the position of either going without female companions, or bringing out a young lady from their homeland, or else to consort with one of the other sex who belonged to another race. The first was not to be thought of, the second alternative was expensive, therefore the solution of the problem for hundreds was the third alternative. The influx of the Russian colony has to a great extent solved the white young man's "burden," and many marriages are being consummated between Russian women and Englishmen or Americans. It may be mentioned in this connection that Englishmen stand higher in the Russian woman's eyes as a suitable husband, not so much from the point of view of the man as the nationality. An Englishman's wife is *English*, no matter where she was born, but an American's wife under present laws remains "as you were." That doesn't suit the average Russian woman who is hunting a husband in Shanghai.

Japan's 'Altruistic' Plans For Manchuria

(This article, which comes from sources close to the Administration of the Japanese-owned South Manchuria Railway, is published, not because The Review agrees with its contents, but because of the information which it gives regarding the railway complications in Manchuria and Mongolia, now a subject of active interest due to Japan's recent demands in that area)

The development of Manchuria and, concurrently, the increase of her production, is progressing at such a rate that such apprehension as has been expressed in many quarters to the effect that bitter competition will occur between Russian, Japanese, and Chinese railway interests, will be found to have no basis. In spite of the building of new railway lines, production is increasing at such a rate that there will be more than sufficient freight for all of them. This is the opinion of Mr. Y. Matsuoka who was recently appointed Vice-President of the South Manchuria Railway, the principal instrument for the maintenance and furthering of Japan's interests in Manchuria. His opinions carry weight as he formerly spent a number of years in Manchuria in his capacity of Director of the South Manchuria Railway Company. He is a man of the far-visioned, constructive type and was a great constructive force during his period of activity in the Three Eastern Provinces. In fact, it was due mainly to his initiative that the railways were built between Chenchiatun and Taonan and between Taonan, an important center near the border of Manchuria and Mongolia, to Tsitsihar, a point on the Chinese Eastern Railway, west of Harbin. This road, which was completed last year, was built by the S. M. R. as a contractor, for the Chinese, who are now operating it. It is of great importance as it completed the connection between Tsitsihar and Ssupingkai, a point between Mukden and Changchun, thus opening a great, almost undeveloped region to immigration and development and providing an outlet for the goods originating there for transport to Dairen. The railway attracted considerable attention among students of China's problems, many of whom have seen therein a source of likely friction between the Russian interests, represented by the Chinese Eastern Railway, and the Japanese. Mr. Matsuoka was also largely responsible for the carrying out of the project of building a railway from Kirin, the capital of the province by that name, and Tunhua, a town east of Kirin. This line is now under construction, built by the S. M. R. for the Chinese. Its importance lies in the fact that it forms an extension of the line from Changchun, the junction point of the S. M. R. and the C. E. R., and provides a link of the projected line to a point on the Korean coast, which, if completed, will furnish a railway running direct from the Korean coast to Changchun, which is in the heart of a great and very fertile region.

Potential Chino-Japanese Friction

The construction of these lines has led many to hold the opinion that the result must be competition and friction between the Russians and the Japanese. To this may be added another factor, namely potential friction between the Chinese and the Japanese owing to the construction by the former of several railways, and the planning of still others, some of which, if completed, would parallel and compete with the S. M. R. line. Such lines would be in direct violation of the Agreement between Japan and China, entered into in 1905, whereby China undertook not to construct any lines in Manchuria paralleling or competing with the S. M. R. lines. Among these lines is one running from Takushan, a point southwest of Mukden on the Mukden-Tientsin line, towards Payantala, the terminus of a railway built by the Japanese for the Chinese, which runs almost due west towards Mongolia and connects with the S. M. R. main line. This line is now under construction by the Chinese, who have completed a great part thereof. The Japanese have objected thereto through diplomatic channels, owing largely to the fact that its completion would draw traffic not only from the S. M. R., but also from the line built by the Japanese for the Chinese, for which the former have not yet paid; and partly because such building constitutes a direct violation of a legal agreement. Another line now being built by the Chinese extends from Mukden in a north-easterly direction to Hailung-cheng, the center of a great agricultural region. Although an agreement existed between the Chinese and the Japanese that if this line should ever be built, it must be built for the Chinese by the Japanese, and a loan was advanced to the Chinese for the purpose—which they spent for entirely other purposes—the Japanese consented to the construction of this line by the Chinese themselves, with the understanding that it should not be extended beyond Hailungcheng, to Kirin. Now, however, the Chinese are making active preparations to build the link between Kirin and Hailungcheng, which will, if completed, form another road paralleling and competing with the S. M. R. main line running south from Changchun and with the Changchun-Kirin road.

All these elements contribute to the development of the present complicated railway situation in Manchuria, and as railways furnish the most important factor of the economic, and to a great extent of the political situation in Manchuria, the solution of these problems is essential. Mr. Matsuoka makes it clear, however, that the Japanese Government is concerned mainly in the upholding of the principle that treaties and agreements must be lived up to. Once this has been settled, he believes, the actual matter of the construction of these various projected railways may be settled relatively easily by mutual arrangements. Manchuria is increasing her productivity so rapidly, he points out, that the new, as well as the existing railways will have all they can do to handle the increased traffic and the much feared competition will be found to be entirely exaggerated. The Japanese are as eager as are the Chinese themselves for the development of Manchuria, which will furnish for Japan a great source of raw materials for her factories, and concurrently, develop a great population which will be purchasers of the goods which Japan manufactures from such materials. So the Japanese are interested in seeing railways increase in Manchuria and will not only be willing to see the Chinese build railways, but will assist them to do so, if such assistance is wanted, provided only that the Chinese abandon their present attitude of high-handedly disregarding and over-riding the Japanese interests which exist by virtue of long-standing legal agreements and treaties.

Big Increase in Freight

"The annual increase of freight carried by the S. M. R. lines has in recent years amounted to about 1,200,000 tons annually," said Mr. Matsuoka in discussing this question. "Even if we make allowance for some decrease in this ratio in future, it is entirely reasonable to estimate that such increase will amount to over ten million tons within the next ten years. To handle this vast increase of goods to be carried will call for every possible effort on the part of the railways. There will be more than enough traffic for all of them. It is more likely that they will have to call upon one another for help than that any competition will occur. There is no reason for the Russians to fear the presence of the Tsitsihar-Taonan railway, and the questions between the Chinese and the Japanese are important mainly as a matter of principle.

"For a number of years past the number of Chinese immigrating into Manchuria from Shantung and Chihli has been between 300,000 and 400,000 annually, though of these a number were seasonal laborers who returned to their homes when the Manchurian harvest was over. More recently, however, conditions in Shantung especially have become so intolerable that great masses of the population there is coming to Manchuria in order to seek in the vast tracts of rich uncultivated arable regions peace and order and an opportunity to found new homes and make a living. This year, therefore, these immigrants are bringing in their families, showing their intention to stay, and their total this year alone will be about 800,000, at least. As a consequence, the lands along the new lines are being rapidly settled and developed, and the activities of a huge army of settlers who must work hard in order to live, must cause a tremendous increase in the produce of Manchuria. I believe that this increased land development and resultant traffic will justify the building of at least 5,000 miles of new railways in Manchuria within the next ten years.

"So you will see that in the matter of the construction of new railways by the Chinese the question of principle is the predominating feature as far as Japan is concerned. The building of the Kirin-Hailungcheng line, for instance, is in direct disregard of the Japanese rights and interests. The Chinese are acting as if these did not exist. Apparently they have forgotten or choose to disregard that, after all, it was Japan who preserved Manchuria for the Chinese when she not only spent her blood and treasure in driving out the Russians, who would otherwise have made these regions a Russian territory, but even staked her existence as a nation on the issue. It is, of course, true that she fought Russia mainly for her own preservation, but at the same time she was fighting Manchuria's battle. Furthermore, Japan has worked hard during the past twenty years in Manchuria and has contributed greatly to the development and present prosperity of these provinces.

"It is evident, therefore, that Japan must feel that the Chinese are bound not only by their legal but also by moral obligations to observe the Japanese interests in Manchuria which are clearly defined by agreements and treaties. It is the principle which is at stake. If the Chinese, instead of disregarding Japan's rights and interests, should come to Japan with their proposals, they would meet with a very reasonable attitude and Japan's objections might even be withdrawn. On the other hand, if Japan should now suffer the Chinese to disregard her rights in the present instances, a precedent will

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Another Big Job For Admiral Bristol

(By Clair Price in the New York Times)

THE United States naval officer who fired the first American salute to the Chinese Republic has returned to China as Commander-in-Chief of the Asiatic fleet. Having seen American diplomatic relations with Turkey peacefully restored, after ten years of interruption, Rear Admiral Mark L. Bristol left Constantinople to take over at Shanghai, from Vice Admiral C. S. Williams, who was three classes ahead of him at Annapolis. Admiral Williams retires on Oct. 6, and by that date may be sitting in front of his own hearthstone in Springfield, Ohio.

China is an old story to Admiral Bristol. As an ensign in his early twenties, he was there from 1891 to 1894, and the single gold stripe on his uniform no doubt became molded to a greenish hue as junior officers' stripes usually do on the Asiatic station. He returned in his early forties as a commander and when he left the old light cruiser Albany, after serving from 1911 to 1913 in Chinese waters, it was with the four stripes of a Captain. He goes back for the third time, this time as Commander-in-Chief of the fleet, with five years' service ahead of him before he, too, reaches the age of retirement.

Seeing Admiral Bristol a few weeks ago for the first time in more than five years, I thought him a little thinner; his eyebrows seemed bushier, his eyes deeper, his face more lined. But his voice had the old ring and rapidity. It was the voice of a senior officer most of whose service has been at sea and not in the shore establishment. Ashore it is modulated nicely enough; but at sea, the visitor is apt to conclude, a voice of such depth would have no trouble in making itself heard in the opposite wing of the bridge. Service of nearly forty years has taken him into every class of ship, every principal station and every major branch of technical development in the navy. He was a Lieutenant in the old Texas when Cervera made his dash out of Santiago Harbor in 1898, and Captain of the Oklahoma when the German Navy made its crawl into the Firth of Forth in 1918.

A Deeply Lined Face

His deeply lined face is such as one would expect such a career to produce. But his duty for the last eight years in Constantinople has been so largely civilian that it will be a little difficult for civilians who were thrown in contact with him during those years to picture him in any other than civilian clothes. The fact remains, however, that in returning to China he returns to purely naval duty. With the broad gold bands of his rank on his sleeves and the gold-braided visor of his cap pulled down over his eyes, he goes back to the cabin and the quarterdeck.

Nationalism, with its attendant complications, is also an old story to Admiral Bristol. Yesterday Turkey was the scene of more trouble for the local American colony and its variegated interests than any other devil's broth on the face of the earth. Today it is China. What Admiral Bristol found in Turkey he will find on a larger scale in China. Perhaps that is one reason why he has been chosen for the Asiatic command. He will no longer be a naval officer on States Department duty, for the State Department has its own representative in China in the person of the Minister in Peking. But despite the wires from Washington to which Ministers and Commanders-in-Chief alike are tied, decisions sometimes have to be made on the spot, and those who knew Admiral Bristol in Constantinople know what strength the Minister in Peking will find in him and what a steadying friend the Americans of the harassed international settlements will discover in him.

It is, perhaps, difficult for the average American at home, who spends his placid life under the protection of the policeman on beat, to realize a state of affairs in which an Admiral becomes a personal friend and a daily necessity. Almost any American can adjust himself to unsettled conditions. If necessary he can even take his wife, his children and slender savings through a prolonged period of rather actual unrest. But when the Government under which he lives ceases effectively to exist, when his British, French and Italian neighbors are given the protection of their own armies in military occupation, when every living hatred is exploited to prolong the uncertainty, and every dead hatred is dragged from the tomb to produce a chaos so hopeless that people throw up their hands in despair at the mere mention of Turkey, then the unlucky American who lives there has a right to expect his Government to take a little interest in him.

His eight years in Constantinople made Admiral Bristol a unique figure in the history of his country's foreign relations. He went there in January, 1919, to command the American naval forces in Turkey. He found the embassy sealed and in the custody of the Swedish Minister, relation with the Ottoman Government having been broken off on April 20, 1917. The complete defeat of the Ottoman Empire had been followed by an armistice and the Turkish remnant of that empire had been glad enough to get back to the pursuits of peace. American missionaries, educators and relief workers had returned to find themselves in a profoundly changed position. The special rights of foreigners had been abolished in the interior and how long these rights were to exist in the Constantinople area depended on how long allied occupation remained.

When Special Rights Disappeared

Their interests were very large, old and widely dispersed. There was no Ambassador there at the moment, but the Americans had an able and astute leader in their own ranks. For some time after Admiral Bristol was transferred to State Department duty with the title of United States High Commissionar, they preferred to adhere to their own leader. To draw them under the leadership of an Admiral, a quality of leadership which was new to them, was not easy, but it was eventually accomplished by a degree of patience of which few Admirals are possessed. Admiral Bristol, apart from being High Commissioner proved himself a personal friend to the missionaries and educators of the American colony during a period of profound changes.

American business men attached themselves to him with a rush. They, too, were undergoing a period of change, or rather they thought they were. All of Turkey, potentially one of the richest countries in the world, was about to be opened. The boom was about to begin and there was something like a stampede to get in on the ground floor. But presently the Greeks occupied Smyrna. The Turkish peasant in the interior left his growing crops and went angrily back to fighting. The boom shrivelled up in the heat of a new and more bitter war, and the American business colony in Constantinople shrank little by little to a few big corporations which had pre-war interests in the country and could afford to wait.

The international aspect of those eight long years belongs to history. The almost casual Greek occupation of Smyrna; liquidation of the Wrangel and Denikin adventures and the hordes of ragged Russians with which they filled the gutters of Galata; the uneasy rumors from the interior of Asia Minor, the Greek campaigns further and further into the interior and the persistent trading of territory for time on the part of the elusive Turks; the final Turkish attack in front of Afium and the rush which carried the new Turkish Republic into Smyrna and through the Mudania armistice to the peace treaties of Lausanne—all these events were crowded into eight years.

The Allied evacuation of Constantinople removed the other High Commissioners, but left Admiral Bristol waiting for the renewal of diplomatic relations with the new Turkey. It was not until last February that an exchange of notes between Washington and Angora regularized relations and the State Department was at last in a position to dispatch its own representative to Turkey in the person of Ambassador Grew, Two months remained for the evacuation of the American naval forces from Turkey. By the end of April Admiral Bristol's work was done and the farewells began.

When a senior officer is transferred to a new command a naval farewell can be a very handsome occasion, though as a general rule the navy takes whatever comes as part of the day's work. The American colony, however, is largely made up of civilians and their wives and children. Under Admiral Bristol's leadership they had gone through a peculiarly difficult period and the end of that leadership was to many Americans a deeply personal occasion. The dinner which the American

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become established which may eventually lead the Chinese to want to drive the Japanese out of Manchuria altogether and create a situation where Japan may have to call to their attention the fact that, after all, Manchuri a is historically entirely distinct and separate from China Proper and that it may be necessary to deal with Manchuria as such."

In this connection, Mr. Matsuoka was asked what he thought of the reported Chinese proposal to develop the port of Hulutao, a point of the Mukden-Tientsin line which has for some years past been regarded as a possible great port which might serve as an outlet for goods originating in Manchuria and brought there by the Chinese lines, existing and to be constructed. Mr. Matsuoka did not, however, regard it as possible that Hulutao may be developed to the point where it would be a serious rival of Dairen. He repeated his contention that the increase of production in Manchuria would furnish traffic enough for all concerned. It would, he stated, take ten years to construct an adequate port there, and by the lapse of that time the two or three million tons which would be the maximum that Hulutao would be able to handle, would be but a comparatively small as factor compared with the general increase of produce which must accrue during these ten years.

colony gave to Admiral and Mrs. Bristol before they left for home, en route to Shanghai, was a brave affair; the dance that followed was not as happy an occasion as a dance is supposed to be. It was marred by tears.

But it may be doubted whether any of this reveals the inwardness of Admiral Bristol's protracted duty as High Commissioner in Constantinople. The Embassy itself, with the familiar eagles in stone on its outer gates, was credible enough. In the mind of the average American the front entrance was associated with the Fourth of July, when a stout navy jazz would play near the top of the grand staircase—pleasant memories of a home 6,000 miles away. On ordinary days one used the chancery door at the side and a typewriter murmured in rapid starts and stops somewhere down the hall as one sat on the penitent's bench waiting for a chance to tell one's troubles to the second secretary. Sometimes one saw "the Admiral" and sometimes one did not. The chances were largely against it for second secretaries know their roles.

If the visitor was to see him, he waited until a peremptory naval aide summoned him up three or four steps and through a hanging curtain into a large, silent room where the aide clicked his heels, muttered the vistor's name and vanished. The rather stocky figure rising from behind the desk at the far side, physically a little diminutive in the vast room, sometimes in uniform with the broad gold bands on his navy-blue sleeves, sometimes in sombre civilian clothes, was "the Admiral.

The navy is not a training ground of the professional diplomat and "the Admiral," as this writer recalls him. never had the formal manner of the professional diplomat. He had instead the navy manner. He talked as man to man, simply and directly as men talk in the navy. There were moments and subjects that made him reserved. When his eyebrows drew together one had to walk delicately, or draw one's own conclusions and let it go at that. There never was an instant's doubt where one stood with Admiral Bristol. There can be no question that the high prestige with which the United States emerged from those years of readjustment in Turkey was largely due to the presence of a professional naval officer in the Embassy.

But if the Embassy itself was familiar enough, how unbelievable was the world outside it! A few doors away you could sit behind the big windows of the Pera Palace's coffee room while a Russian Colonel with his toes sticking out of his boots stopped on the sidewalk outside and opened his pinned-up coat to show that he had no clothing beneath it. And out of the change that remained in one's pocket after a $10 dinner in one of the most expensive cities in the world, one might pass a few piasters to the Russian to retard his slow starvation.

An old and once magnificent city isolated from all visible means of support, swollen by the debris of armies sucked into it like wreckage into a whirlpool, its cloak-and-dagger intrigue rarely perceptible at the first glance, its surface so well controlled that when a man's throat was to be cut he was nearly always lured into some suitably lonely spot for the purpose, its entire area commanded by the guns of an international fleet in the Bosphorus which could have whipped the British Grand Fleet itself (a good deal was there for some time)—such was Constantinople in the days of its allied occupation.

What a pleasantly diverting place it was. Old Americans might have been keeping tight lips as they watched the work into which they had put their lives crumbling to pieces, but it was always possible to forget that in an evening at some cafe chantant a little less squalid than the bottomless pits of Galata. International greed might have been tearing the place to pieces with the force of an earthquake, but it was always possible to find a Turk at the club who wanted somebody to teach him poker. The Day of Judgment might have been rising slowly out of the blood and suffering in the depths of Asia Minor, but in the Pera Palace there was always a crowd of flashing uniforms, three deep, at the little bar (and only one bartender who could mix a decent cocktail). The orchestra was always playing "Ain't We Got Fun?"

It seems like a bad dream today, for nothing remains of it now except the new Turkey that has been lifted out of depths of Asia Minor by the genius of a great Turk. How irrevocably it belongs to the past is shown by the almost unbelivable fact that "the Admiral," a rock of sanity amid the encircling lunacy, has gone back to the navy and at this moment is 10,000 miles away on the coast of China.

"Keeping King George Out of Chicago"

According to a recent dispatch from Chicago appearing in a British paper the pledge given by Mr. Thompson, the Mayor of Chicago, in his whirlwind mayoral campaign last spring "to keep King George out of Chicago" was, according to supporters, partly redeemed when it was officially announced that William McAndrew, superintendent of the Chicago schools, had been suspended by the board of trustees by six votes to five on a charge of "insubordination." Mr. McAndrew, it will be recalled, was accused by the Mayor of introducing "proBritish" history textbooks into the Chicago school.

Unification of Japan's Interests in Manchuria

(Reprinted from the Japan Chronicle, Kobe, Japan)

WHEN the Tanaka Ministry was formed, says Dr. Izumi Tetsu, discussing the present Government's Manchuria and other policies in the *Diplomatic Review*, it decided to overthrow the former Government's China policy from the foundations and adopt in its place the policy traditionally pursued by the army authorities of primarily dealing with individuals. The development of the policy has been watched by the public with a great deal of interest and distrust. When the Southern Army advanced northwards the Government dispatched troops to Tsingtau and Tsinan to the terror of the Southerners, who were effectively prevented from advancing. The relative position of the Northern and Southern armies was reversed, the Northern troops turning to the aggressive and pushing on to take Nanking. In the meantime the pro-Japanese attitude shown by China during the tenure of office by the last Ministry underwent a change, and boycotts against Japanese goods were started in North and South China alike, things threatening to assume the ominous aspect witnessed at the time of the Twenty-one Demands. While events were moving in this way the Tanaka Ministry was much exercised over the question of what line it should take towards China. It twice convened what was called an Eastern Conference to take the opinion on the situation in Manchuria and the concrete policy to be pursued by the Empire by the Minister to China, the governor of Kwantung, the Consuls in Manchuria, army officers stationed in China, and so on. It was somewhat of a surprise to the public that this step of consulting with the various officials concerned should have been taken by Baron Tanaka, who is supposed to be one of the most arbitrary men who have held the portfolio of Foreign Minister, whereas his predecessors in office were apt to decide upon their policies at their own discretion. Japan's China policy has for its main object to give effect to her vested interests in Manchuria and Mongolia, and how and in what manner this is to be brought about is the fundamental question to be considered and settled. The policy has also close bearings on that emigration and colonisation scheme which is now drawing so much public attention, and the essence of which appears to consist in sending emigrants and colonists to Manchuria and Mongolia, Saghalien and South America on a large scale as a solution of the nation's food and population problem.

Five-Headed Administration

What constitutes a serious impediment to the materialisation of Japan's vested interests and the development of Japanese enterprises in Manchuria is the lack of unity and co-ordination in the Japanese administration of Manchuria and Mongolia. The South Manchuria Railway Co. has, in addition to its power to run the railways, administrative powers respecting education, health and civil engineering in the railway zone. The Consuls, representing the Foreign Office, see to the protection of the resident Japanese and exercise police power for the purpose, acting in this latter work as officials of the Kwantung Government, so that it is technically the Kwantung Government that wields the police power in South Manchuria. On the other hand, the judicial power is placed in the hands of the Consuls. So far as the Koreans are concerned, however, though they are as much Japanese subjects as people hailing from Japan proper, affairs relating to their protection, policy surveillance, education, etc. are looked after directly or indirectly by the Korean Government-General. Further, there is what is called the Commander of the Manchurian Garrison, who, though forbidden directly to take part in the administration, is said to exercise no small influence upon the policy relating to Manchuria and Mongolia. In so disorganised a system, it is inevitable that there should often arise a conflict of policies, involving the frustration of the measures of one office by the actions of another. Hence the emphasis with which people have been urging the need of co-ordination in the administration of Manchuria and Mongolia. While the last Ministry was rather in favor of conferring the highest power on the Kwantung Government, the present Government would appear to be for curtailing the powers of the Kwantung Government and giving the predominant power to the President of the South Manchuria Railway Co. The necessity of co-ordination is recognised by both, but the ways in which it is sought to reach the goal are different. On the other hand, there are some people who are of opinion that there is no need to make any change since the powers will be naturally and necessarily consolidated by the organ or office which happens to be presided over by the official of predominant influence. But this view is hardly borne out by the facts, inasmuch ag there is no guarantee for a man of weight and influence beins placed at the post where he can properly and effectually

exercise his weight and influence. Nor is it always to be expected that such a man should be found at one of the five offices involved. The question of formulating and pursuing a unified policy regarding Manchuria and Mongolia is not one of men, but of official regulations.

Company and Party Funds

The present Government, realising this fact, appears to raise the position of the President of the South Manchuria Railway Co. to the grade of officials personally appointed by the Throne, while curtailing the powers of the Governor of Kwantung so as to make him something like the Governor of Hokkaido, and subjecting him and the Consul-General of Mukden to the control of the President of the railway company. It is, however, doubtful whether this will prove a wise policy. At first sight it might appear as if it would be politic and expedient to get a private company rather than a Government office to look after the work of developing Manchuria and Mongolia, but the South Manchuria Railway Co. is not a private company, but a semi-official company, and in the eyes of the Chinese there is no difference at all between it and the Government of Kwantung or the Japanese Foreign Office. Besides, to invest the company with the highest power in those regions will open a way for it to be further preyed upon by party politicians, whereas it is not so easy for a Government office to make unaccountable disbursements and expenditures, or to commit underhand acts such as financing this or that political party out of its funds. It may perhaps be unobjectionable to entrust the company with the work of developing Manchuria and Mongolia, but it is by no means advisable to give it predominant power over the rest of the institutions in those places. If one of the organs in Manchuria must exercise dominance over the others, it should be the Government of Kwantung, for the reason that it is essentially a colonial office and there is nothing to prevent it from adopting measures appertaining to colonisation and emigration not merely in South Manchuria but also in other parts of Manchuria and Mongolia. A Consul on the other hand, is an official attached to the Foreign Office and propriety is evidently against his directing and pushing on colonisation schemes. When the administrative organs in Manchuria are once consolidated, it will no longer be necessary for the Korean Government-General to send men to Manchuria to look after the Koreans in those regions, although such a measure may be unavoidable under the present chaotic system.

Manchurian Conference

As for the commander of the Manchurian garrison, he seems to have been in the habit of carrying on some independent measures regarding Manchuria and Mongolia under the instructions of the army authorities. But this was done because there was a difference of opinion between the Foreign Office and the War Office. Under Baron Tanaka at the head of the Foreign Office, however, it would appear that the views of the two offices are in harmony, so as to make it unnecessary for the military commander to go on meddling with matters lying wholly outside his legitimate official functions. It is reported that it is suggested in some quarters that a Manchurian and Mongolian Conference should be organised of the representatives of the various official institutions in those districts to serve as the highest organ for deciding questions of policy affecting those regions. In my view this is a suggestion hardly worth considering. While there is no doubt that such a conference would be desirable as a consultative organ to some higher institution because of the intimate knowledge its members must have of the conditions in Manchuria and Mongolia, it would be entirely unsuited for formulating far-sighted plans and policies. For its views and suggestions would be apt to be local and sectional and of little value from the broader viewpoint of the Empire with reference to her relations to China or to the other Powers in general.

The Department of Colonisation

The ideal thing to do for consolidating the policies and activities of the various official establishments in Manchuria would be to direct and control them all from Tokyo rather than to make one of them predominant over the rest. It is understood that a plan to organise a new department for the colonies has made such progress that an agreement has been practically reached among the members of the Government. When the Colonial Department is once established, the South Manchuria Railway Co. may operate as a purely business company and there will be no harm in the Consuls acting as officials of the Kwantung Government, while the protection of the Koreans in Manchuria and Mongolia may be delegated to the Consuls or the Kwantung Government acting under the directions of the Department, thereby obviating the necessity for the Korean authorities to send men out to Manchuria, etc. to look after the Korean residents there. In this case, too, it will not be advisable to curtail the powers of the Kwantung Government, which should rather be the local headquarters to direct Japanese operations in Manchuria and Mongolia. It would be an antiquated policy to invest a business company like the South Manchuria Railway Co. with political power.

A New Colonial Company

As a means of carrying out its Manchuria and Mongolia policy, the Government is going to organise a new chartered company to operate side by side with the South Manchuria Railway Co. As the latter has for its main object to run the railways and work the mines under its control, it is found advisable to organise a separate establishment to own and lease lands and conduct agricultural and afforestation operations. Already a company of the name of the Toa Kangyo Kabushiki-kwaisha (Eastern-Asiatic Industrial Company. Ltd.) has been formed and started agricultural enterprises on the lands which it has taken over from the South Manchuria Railway Co. It would not be material to discuss here whether the proposed chartered company is going to be an extension of the Eastern-Asiatic Industrial Company or if it is intended that the former should absorb the latter. At any rate, it should be a purely business proposition without any political power, for by this means only will it be practicable to protect the capital invested from being affected by political troubles. Political and administrative powers should always be vested in organs of the state, to whose control and supervision all business companies should be subject. While there should be no fundamental change in Japan's China policy, experience shows that the attitude of the country towards China has changed with every change of ministry. But nothing can be more dangerous than for business companies to change their policy from time to time and be liable to get involved in internecine struggles in China. Business companies overseas should invariably act on the policy of furthering the nation's economic development abroad independent of the party strife at home. They should never sink to be reservoirs of funds for political parties.

Development of Korea

As for the scheme in Korea, water utility associations on a large scale have already been organised in pursuance of the plan for increasing rice crops and they have started reclaiming land for paddy-fields. On the completion of the scheme it is calculated thatt he rice output in Korea will increased by scores of millions of *koku*, which will no doubt go a long way to supply the deficit in food in Japan. On the other hand, however, it is necessary to consider what benefits the Koreans will derive from the scheme. Since the organisation of these water-utility associations many smaller landowners have parted with their holdings and turned vagabonds, finding the subscriptions to the associations compulsorily levied on them a burden too onerous to bear. In fact, not only almost all the Korean landowners are opposed to this scheme for increasing rice crops, but even large concerns like the Oriental Development Co. are groaning under the burdens imposed by the measure. The farmers in Korea are thus staggering under the enormous weight thrown on their backs on account of a measure started for adding to the food supplies for the people of Japan. It should be realised once for all that no scheme of industrial development in Korea can prosper or succeed unless it is primarily in the interests of the Koreans. The creation of paddy-fields will add nothing to the burdens and suffering of the Koreans if it is achieved in such a way as to make good rice-fields of those dry beaches which have so far been of no economic value. On the contrary it will give welcome work to the Koreans. Improvement of upland fields and afforestation will also furnish many people with means of livelihood. Afforestation more especially is a work which may be fitly undertaken by great Japanese capitalists, requiring as it does a lot of capital. There is also a well nigh inexhaustible wealth of coal and gold and silver in Korea, so that profitable mining can be set afoot by transplanting adequate Japanese capital. In any case it should never be lost sight of that it is important to furnish Korean workers with work. In developing Korea there is little room for Japanese emigrants, but for Japanese capital there is unlimited room. As for those Koreans leaving their country, they should be encouraged to emigrate to North Manchuria and Siberia, and not to Japan, where it is impossible for them to lead a happy life. North Manchuria and South-eastern Siberia are so rich in soil that fat crops can be raised with slight work. Even in the Yi regime, many Koreans emigrated to Siberia, where by their agricultural operations they were able to supply the Russians in the Far East with food. It is therefore desirable that the Oriental Development Company, or some other company to be newly formed for the purpose, should see to the emigration of Koreans to those parts by making itself responsible for their guidance and protection.

The Movement Toward Opium Suppression

Dr. Sun Fo, the new Minister of Finance of the Nationalist government, and son of the late Dr. Sun Yat-sen, accorded on September 26, an interview to Rev. K. T. Chung, general secretary of the Anti-Opium Association, and Bingham Dai, secretary of the survey and statistical department of said body. In the course of the interview Rev. Chung made various suggestions for the suppression of opium, in reply to which Minister Sun pledged that as soon as the Nationalist government was in a position to follow up its prescribed program of national reconstruction it would include the recommendations in its policy for the suppression of opium.

America Should Clarify Her Relations With China

(Reprinted from the Chicago Tribune for August 30)

If the American chamber of commerce at Shanghai is laboring under the delusian that American marines or bluejackets or regulars now in China are there to enforce commercial treaty rights it needs a sharp correction. They are there to protect lives of American citizens lawfully in China. They are not there to insure the transaction of business.

We gather from the resolutions of the chamber cabled by our Shanghai correspondent, that the American business colony in Shanghai has allowed its tribulations to pervert its thinking. We realize that it is passing through a painful and costly experience. So are the Chinese. We would give American financial and commercial interests moral support, but there isn't the slightest chance that the nation would permit them to be enforced by bayonets and bullets. It is understood that injustices are being done by military leaders in need of funds and that our trade is suffering from sudden and exorbitant exactions contrary to treaty conditions agreed upon between our goverement and past governments of China. We understand also that taxes imposed by military factions are not only unfair but injurious even to the Chinese interest in trade with the outside world. Nevertheless, the United States will not use force in a foolish attempt to enforce treaty terms in the midst of a violent civil war. Commercial treaties and tariff arrangements are not so sacred as that. Treaties have been denounced by other nations and used like scraps of paper. And we are not referring to Belgium. One of the oldest treaties of our republic was unhesitatingly broken by no less high minded a government than Woodrow Wilson's which took German owned property in this country contrary to a solemn agreement almost as old as the nation.

We think the American business colony at Shanghai is ill-advised to make this appeal for marines to enforce tariff rates—ill-advised, that is, from the point of view of their own interest in the long run. That is to be duped by the diehards into self-destruction. But they are also unwise in failing to consider that opinion at home would not permit our armed forces to be used for such purposes.

We suspect that a declaration of America's intention at this time might be helpful to all concerned, though it would be disappointing to those in China who expect the government to use its arms to try to recreate and impose upon the Chinese the status quo ante. We think Mr. Coolidge and Secretary Kellogg thus far have acted justly and wisely in the difficult situation created by the Chinese civil confusion. They have acted resolutely to protect life and to a certain practicable extent property. In this, we are confident, they have had and have the approval of the American public, including even that portion of the press which has an inadequate sense of American rights abroad. But though Chinese conditions remain chaotic and it is impossible yet to find a government which we can safely accept as possessing the mandate of the Chinese people to act for it, we are beginning to believe that a reassertion of American intentions toward the Chinese nation might be opportune.

We are aware that American opinion in China is too much affected by its own immediate predicament and by the influence of other foreign opinion. We take into account the desirability of cooperation in some degree with other foreign governments with which we have friendly contacts there and elsewhere. We realize that if we elect to assert an independent position we must accept the inevitable consequences of combinations in spite of us or against us. Nevertheless, we are inclined to think that we shall be better off to lay down without more postponement certain principles upon which we propose to act, and we would recommend that we reaffirm the sympathy of the American people for the Chinese people in their cruel ordeal and for their aspirations to establish the foundations of modern progress and the betterment of their conditions. Such a pronouncement, combined with a definite declaration of policy as to tariff and trade relations and the gradual withdrawal of extraterritorial privileges as the establishment of Chinese order and responsibility is accomplished, would be no empty gesture, since it would express the real attitude of the American nation toward the Chinese, and we have hope that it would hearten the best elements among the Chinese.

WHY OUR FORCES ARE IN CHINA
(As amended by the American Chamber of Commerce in Shanghai.)
"U.S. MARINES ARE IN CHINA FOR THE PROTECTION OF AMERICAN LIVES AND PROPERTY."—U.S. STATE DEPT.
AND Profits!
"BRITISH TROOPS ARE IN CHINA FOR THE PROTECTION OF BRITISH LIVES PROPERTY AND COMMERCIAL ADVANTAGES."
DITTO JAPANESE TROOPS
"HE'LL SOON HAVE THE U.S. AS UNPOPULAR WITH THE CHINESE AS WE ARE."
"HE'S PLAYING OUR GAME."
CHINA

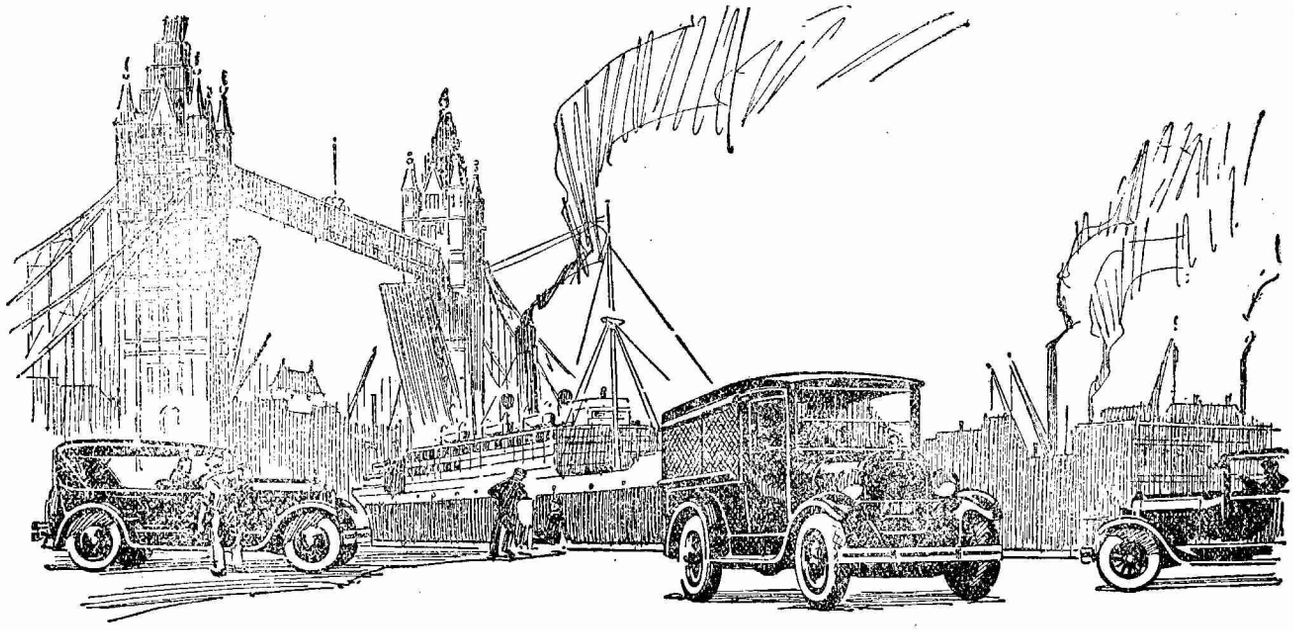
By McCutcheon in the Chicago Tribune

To allow our relations to drift is likely if not certain to involve them in the policies of other governments which know what they are about. It also deprives us of such legitimate advantages as we have enjoyed from a long course of friendliness toward the Chinese progressive effort. Like the Chinese leaders themselves, we have been disappointed by the confusion which military and political factions have brought about. But it is possible that a strong and plain word from us at this moment would be worth while.

And, finally, we would remark with respect not only to our Chinese relations but all foreign relations that we can have no effective foreign policy that is not based upon a definite recognition of what American public opinion will support. To mistake this limit or ignore it is to be tempted into action which proves futile eventually and must hurt our influence through giving the impression of feebleness and inconsistency. The deplorable pages of our diplomacy record vacillations caused on the one hand by impractical, altruistic impulses soon checked by unhappy results and the common sense of the nation or on the other hand by ill-advised measures of force for the protection of private enterprise which, however legitimate, did not justify the sacrifice. We do not overlook the difficulty of wise judgment in many of these situations, much less do we counsel weakness in defense of the rights of our nationals wherever they are lawfully. But no policy can be strong unless it is sure of itself and of the limits which public opinion places upon it.

Chinese Want Eleven Council Members

In connection with the question of Chinese representation on the Shanghai Municipal Council, the Chinese Ratepayers Association in the International Settlement has sent a letter to Yu Yah-ching, a member of the Executive Committee, in which it is stated that the Chinese residents in the International Settlement are not satisfied with the number of Chinese representatives to be admitted to the Shanghai Municipal Council, and request that the number of Chinese Councillors should be in proportion to the amount of taxes paid by Chinese, which would entitle the Chinese to eleven Councillors.



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E. W. Frazar & Co., 24 Santiao Hatung, Peking
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DODGE BROTHERS MOTOR CARS

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Press Conference at Geneva

AN international Conference of Press Experts was held at Geneva during the latter part of August under the auspices of the League of Nations. The Conference was called at the request of M. Yanez, delegate from Chili to the Assembly of the League in 1925. The business before the Conference was:

(1) To enquire into means of assuring more rapid and less costly transmission of press news with a view to reducing the risks of international misunderstanding.

(2) To discuss all technical problems, the solution of which, in the opinion of experts, would be conducive to the tranquillization of public opinion in various countries.

The Conference proved to be a decided success in every way. In point of size it was the largest press congress ever assembled anywhere. There were 63 delegates, 20 assessors, and 35 experts from 36 countries, representing not only States which are Members and non-Members of the League, but also all the continents and all the categorites of press interests—newspaper proprietors, cable companies, press bureaus and journalsists' associations. Among those present were representatives of the great British, French and German newspaper distributing bureaus and a representative of the International Cables Association. Kungchen Koo, editor of the *Eastern Times* (growing and progressive Chinese newspaper in Shanghai) was among those in attendance.

The subject of securing correct news and an unbiased presentation of facts, and also the measures to be taken for curbing the activities of correspondents who engaged in disseminating incorrect and false news, was discussed at great length. Kungchen Koo pointed out that China had no jurisdiction whatever to interfere with foreign correspondents, and therefore they enjoyed the absolute right of sending irresponsible news, or news which would injure Chinese interests. He added: "I dare say that most of the news sent out from China by foreign journalists is untrue, for instance, an American journalist at Shanghai who attempted to send out facts has been openly reprimanded and attempts were made to expel him from the American Chamber of Commerce for upholding the principle of true and fearless journalism; in other words, foreign journalists in China are only allowed by foreigners to send news which is against the interests of China."

After considerable discussion a resolution as follows was passed: "The Conference requests the League of Nations to make the most urgent representations to Governments in order that measures of expulsion or withdrawal of a permit to stay in a country on grounds concerned with the exercise by a journalist of his profession should never be taken without requesting the opinion of a committee of journalists, by which the journalist concerned could be heard." The Chinese delegate voted against this resolution because, as he stated, it would not apply to China at any rate.

Probably having in mind the remarks of the Chinese delegate, the following resolution, introduced by Seiichi Uyeno, managing director of the *Asahi* of Japan, and seconded by Sir R. Jones, general director of Reuters, was adopted by a vote of 27 to 2: "Participants in this Conference express the desire that newspapers and news agencies in the world, fully cognizant of the fact that the publication or distribution of remarkably inaccurate, highly exaggerated, and deliberately distorted news or articles is calculated to cause among nations undesirable misunderstandings as well as suspicions detrimental to international peace, thereby hampering the growth of mutual understanding among peoples, necessary for the proportion of world peace, should deem it their duty to take ample measures to avoid the publication or distribution of such news or articles, and also should consider active international cooperation for the attainment of this purpose which is in conformity with the spirit of the League of Nations."

The matter of the cost of telegraphic news messages was also discussed at length. Mr. Koo made an urgent plea for cheaper press rates from China to Europe and America. This is a subject which has often been discussed in *The Review* and little that our readers do not already know was brought out. In this connection some idea of the very high cost of getting news out of China may be gained from a recent statement in the New York *Times* that the telegraphic tolls on a column in that newspaper of news from China work out at from Gold $300 to $350 per column and from Japan $200 a column, the total cost of that newspaper's trans-Pacific service during the past year having been more than half a million gold dollars.

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The Defense of Shanghai

(*Manchester Guardian*)

The further reductions which are now announced in the numbers of the Shanghai Defense Force will leave that body but a shadow of its former self. The news is particularly welcome, not only for the financial relief which it implies, but far more for the assurance which it gives of returning confidence at Downing Street. The Japanese Government at the same time announces the immediate evacuation of Shantung province. Neither Government can, of course, be supposed to regard the civil war in China as coming to an early end. It continues with exactly the same bewildering changes of fortune as before. The latest reverse to the forces of Sun Chuan-fang relieves Shanghai from all immediate danger of falling again within the battle zone, but may perhaps suggest to the Japanese that their withdrawal from Shantung is a little premature. But in truth no one can tell where the civil war will drift next. We must suppose that the British Government is reducing the strength of the Shanghai Defense Force to a point which will not endanger that city even if the tide of fortune should again bring the Northerners south of the Yangtze. The process of withdrawal was, indeed, continued while it still seemed likely enough that the Northerners would recapture the district surrounding Shanghai. The policy of withdrawal, one may believe, is being carried out independently of the fortunes of this general or that. The probability is that a quite unnecessarily large number of troops were sent out to Shanghai in the first place. No Chinese general dreams of deliberately making war on foreign troops, and a quite small number of them is sufficient to prevent the excesses of undisciplined or marauding Chinese soldiers. Provided our nationals are sufficiently concentrated their protection is a matter of little difficulty.

Of interest in connection with the foregoing is the following *Reuter* dispatch which appeared under a Shanghai date line in the *Manchester Guardian* on September 1, but which for some curious reason has not been published in any of the local British newspapers:

It is officially announced that in pursuance of the gradual reduction in the British forces in Shanghai, the following units will be withdrawn during the coming trooping season:

First Field Brigade, the Royal Artillery.
Headquarters of the 13th Infantry Brigade.
First Battalion the Green Howards.
First Battalion the Border Regiment.
First Battalion the Middlesex Regiment, and
First Battalion the Devonshire Regiment.

The result of this is that the British garrison at Shanghai during the coming winter will consist of:—

Second Battalion the Coldstream Guards.
Second Battalion the Suffolk Regiment.
First Battalion the Bedford and Hertfordshire Regiment.
Two replacing battalions from Hong Kong and
Fifth Armored Car Company of the Tank Corps.

The Paris edition of the Chicago *Tribune* published the following telegram from London, September 1:—*The Tribune* learns that an important discussion of the Chinese policy of Great Britain took place in the cabinet immediately after the return of Premier Baldwin from Canada.

A section of the cabinet wanted the British force in China to be increased and active help given to Chang Tso-lin to enable him to establish himself as the ruler of China, but the majority of the cabinet opposed this on the ground that the Near Eastern situation is so threatening that it would be unwise to undertake any further commitments.

The decision therefore was to reduce the British force in China to merely sufficient to protect Shanghai, which is estimated at less than 5,000.

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Records failed to show, however, what motive power this inventor employed nor details of its construction, but it proved that the Chinese people have skill.

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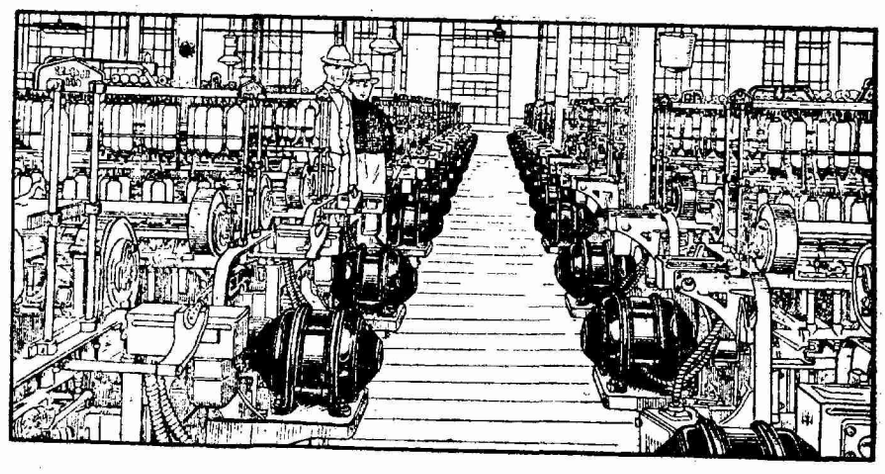

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General Chiang Kai-shek To Marry Miss Mei-ling Soong

Considerable comment has appeared recently in the Chinese newspapers regarding a romance which has developed in Shanghai linking the names of General Chiang Kai-shek, former commander of the Nationalist military forces and Miss Mei-ling Soong, a sister of Madame Sun Yat-sen and Mr. T. V. Soong, former Minister of Finance in the Nationalist Government at Hankow. Mrs. H. H. Kung, wife of the former Minister of Agriculture and Commerce of the Wu-han Government, is also a sister of Miss Soong.

Interest in the romance has been heightened by a report which appeared in the newspapers in Shanghai and also in America about a month ago stating that a Chinese woman who claimed to be the wife of Gen. Chiang Kai-shek, had departed for the United States. The woman who departed for America was a Miss Chiang Che-yu and inquiry in official circles has disclosed the fact that her passport merely stated that she was a student going to America for purposes of study and travel. There was no mention of the fact that she claimed to be the wife of Gen. Chiang, so it is believed that the reports were circulated by political enemies of Gen. Chiang in Shanghai.

In a conversation with foreign newspaper correspondents in Shanghai last week, Gen. Chiang stated that he obtained a divorce from his first wife in October, 1921, shortly after which he met Miss Mei-ling Soong with whom he fell in love. Although he has been busily engaged in the military affairs of the Nationalist Government in recent years, his infatuation for Miss Soong has continued and according to announcement he has recently obtained her consent to an early marriage providing the approval of her mother can be obtained. Mrs. Soong is now in Japan recuperating from a serious illness and it is stated that Gen. Chiang is planning to make a trip to Kobe shortly for the purpose of obtaining permission for his marriage to her daughter. In case permission is granted the marriage will take place in Shanghai, following which the couple will proceed to the United States on a honeymoon trip, hoping to spend a year in Washington, D. C., where Gen. Chiang will make a study of American governmental institutions. Miss Soong is a graduate of Wellesley College and since her return from America has been active in educational and social work, being associated with her sister, Madame Sun Yat-sen.

Gen. Chiang has announced that he has no intentions of re-entering politics and that he probably will remain away from China for two or three years.

Nationalist Manifesto Reiterates Policy

The Nationalist Government of Nanking issued a manifesto September 23 reiterating its policy. After referring to the fact that in the short space of two years, not only was South China unified, but the provinces bordering on the Yangtsze were also successively conquered by the Northern Expeditionary Armies, the Manifesto states that the Nationalist government intends to continue the Northern Punitive Expedition, to work for the complete abrogation of all unequal treaties, and to work for the destruction of the Communist party.

On the subject of the unequal treaties the Manifesto says: "It is our aim to abrogate completely all unequal treaties, restoring to us thereby our national sovereignty and our rightful position in the family of nations. In the past eighty odd years our country has been held in bondage by successive imposition of unequal treaties dictated by the Imperialists. The terror of militarism, the corruption of the mandarinate, the bankruptcy of our national finance, the resulting poverty of our people, the loss of our sovereignty, and the injustice suffered by our nationals abroad may all be traced to the unequal treaties. It is for this reason that in his last will our late leader specifically instructed us to effect the abolition of unequal treaties within the shortest possible period, as the chief purpose of the Nationalist Revolution is to secure freedom and equality for China. This Government, therefore, pledges itself to labor unceasingly for the complete abrogation of all unequal treaties, restoring to China her sovereign status."

Successful Silk Worm Breeding at Nanking

The Silkworm, the official bulletin of the Silk Association of America, published at 468 Fourth Avenue, New York, in its August issue printed an article entitled "Nanking to Produce Again About One Million Disease Free Eggs." The article states, among other things: "After months of reports on the serious difficulties in China, the news has come that the silkworm egg crop at Nanking University will this season again approach the high mark of the previous season, or 800,000 to 1,600,000 egg layings, or sixty piculs." In a letter to the editor John H. Reisner of the College of Agriculture and Forestry at the University wrote: "This we consider a very excellent record indeed, in view of all the factors of uncertainty with which we had to enter the silkworm rearing season."

Shanghai's Record Trade in 1926

Almost nine months after the close of the year, the Commissioner of Customs of Shanghai has issued his report on the trade for 1926. The essential details, namely that the trade of Shanghai for last year exceeded all previous records, the net value of the trade of Shanghai having been 972 million Haikwan taels, has already been published in *The Review* on several occasions, the outstanding features of the year's operations having been published in an article entitled "Shanghai's Trade Last Year Exceeded All Records and Expectations" in the issue of August 13, 1927.

To be of any practical value to the Shanghai commercial community such reports ought to be in its hands much earlier. No doubt in the days when things were done leisurely in Shanghai, eight or nine months after the event didn't mean very much, but things have speeded up greatly in this community in recent years, and it ought not to be an impossibility to get out a report like this, which is for the home port of Shanghai, where the figures are all to hand, with the printing office in the same building, to get out this Shanghai report about six months earlier, so that it might serve as some sort of a guide for the current year's operations.

Among the details not published previously are the following:

Machinery—There was a slight improvement over the year 1925 but the figures were not up to 1924. America's share in the total machinery trade advanced by Tls. 966,000. The British still lead in the total trade, however, with Tls. 3,433,000.

Motor Cars.—American predominance in this field was considerably accentuated, as the following figures show;

	1925	1926
United States of America	578	1064
Great Britain	351	381
France	266	433
Canada	296	361
Other countries	148	107
Toral	1639	2346

Under this heading, the Commissioner writes: 'The large advance in American cars appears startling. Actually, the increase was greater even than the figures show, as most of those attributed to Canada were of American manufacture, and the number for "other countries" include a consignment of 55 American cars which came *via* Japan.

Tobacco.—This trade suffered considerably owing to the disturbances in the interior of the country. The principal falling off in the business was in cigarettes

Peking Throws Out Hu Shih's Language Reforms

According to an article which appeared recently in the *Yih Shih Pao*, one of the leading Chinese newspapers in Peking, the Peking Government has issued an order forbidding the use of the colloquial language in the textbooks and in the writing of essays in the schools and universities in territories controlled by the Peking Government. If this report is correct it means that the literary and language reforms introduced several years ago by Dr. Hu Shih and other professors of the National University in Peking, have now been abolished and Chinese educators will be forced to go back to the old 'literary-style.' Dr. Hu Shih, who is known as the father of the 'literary renaissance,' is now residing in Shanghai.

According to the report in the *Yih Shih Pao*, it was also stated that the Peking Government had sent a letter to the heads of the public and primary schools prohibiting the attendance of boys and girls in the same classes, stating that this was held to be a "violation of the old teaching that the sexes should be kept apart."

General Duncan Hopes for Early Unity

General John Duncan, commanding the British Forces in Shanghai, was the guest of honor at the monthly tiffin of the Union Club held September 26.

R. Calder Marshall presided and with him were General Duncan, Lord Addington, Sir Robert Hotung, Brigadier-General Macnaghten, W. S. King, C. H. Arnhold, George Matheson and Brodie A. Clarke.

General Duncan said that it was rather difficult for him as a public official to speak on the situation in China, but he would say that the British Government had the utmost sympathy for China's aspirations and, as he had said before, the British Force in Shanghai was only here to protect life and property; there was no spirit of recrimination. The British, he said, only desired to do business; further, there was no spirit of antagomism, quite in fact to the contrary, and he thought that many representative Chinese realised this fact. He could not say more than that the British nation desired to see unity in China.

Gold In Manchuria

BY BORIS P. TORGASHEFF

(Concluded from last week)

All the information already collected is sufficient to conclude that the now most attractive region Taheiho-Aigun is by far not the richest in North Manchuria. There is known enough to believe that several other regions, which have been already prospected by Russian experts, as, for instance, several regions of the Northern Barga, the Mohe district, the system of the Kumara River and some parts of the Mutanking River, show not less favorable conditions as to their gold-bearing values.

Information on gold output of North Manchuria is too scanty and casual to enable us to express it in the form of any definite figure. The cause of that impossibility lies exclusively in the infancy period of the actual gold mining industry of this country. The official records of the Chinese local mining departments cover some partial data, supplied by a few larger gold mining companies only. The aggregate figures of output thus officially registered are greatly diminished as it is a rule with all the gold mining companies to conceal from the registration bureaux some part of the output in order to avoid the full payment of royalty. According to the opinion of competent persons in the matter, the concealment of the real output varies somewhere between 50 and 100 per cent, actually always being nearer to the latter figure. A large number of small gold mines, in particular those which although in operation have not yet obtained all the final titles from the Central Government, and which work on the strength of the local temporary permits, never figure in the official statistical records of the central mining authorities. Besides of no small importance in quantity of gold produced, is the widely spread in Manchuria, poaching and other forms of unauthorised washing of gold.

The official record of the Central Government, for instance, the statistics of the Peking Geological Survey, estimated the aggregate gold output of three larger Heilungkiang gold mining companies, at 150,000 taels in weight, in 1925, that is 5,595 kilogrammes (136,000 taels, in 1923 and 106,642 in 1924, what represents in value in round figures, about Gold $3,875,-000 If we 'take into consideration the output of gold in Kirin province, gold output of all the other numerous small gold mining companies, widely spread unauthorised washing of gold throughout Manchuria, and the fact that even the above mentioned official figures are diminished against the realty, we may fairly conclude that the total output of gold of the entire North Manchuria is not less than 10,000 kilogrammes a year, thus being in value over Gold $6,650,000.

A Good Annual Yield

Even that figure is conservative as may be seen from the information of the Japanese, very reliable in the information on Manchuria, periodical "Mammo-Nankan"—The Manchuria and Mongolia Year Book for 1926—which estimates the annual value to the North Manchuria gold output at about Gold Tls. 10,000,000 (20,000,000 Yen).

During the first two years of the gold rush, 1922/23—1923/24—most of the gold came from the Fabira River, north of Taheiho. Aigun district, ten creeks of which gave—according to the author's own information—about 27,850 kilogrammes (1,700 Russian poods) of gold, valued about Gold Tls. 17,500,-000. It was these considerable results which were responsible for the fact that the shares of a number of Chinese gold mining companies of Mex. Tls. 100 went up to Mex. Tls. 10,000 a share. During the succeeding years the output of gold of that famous Fabira River is reported to have considerably dropped, but a number of new rich goldbearing rivers have been involved into exploitation as in the same Aigun district as well as in the Huma, Mohe and Lopeh districts, on the Chinese side of the Amur River, and in several regions of the Argun River, on the Western slopes of the Great Khingan Range. A large number of small Chinese gold mining companies came into existance, and in the Heilungkiang province alone hundreds of claims have been registered.

At the present time the largest part of the North Manchuria's gold output comes from the *Aigun district* (Taheiho-Sahalian region), where there are working a large number of Chinese gold mining companies, but officially recorded are the following seven only:

1. Peng Yuan Gold Mining Co.....850 miners in 1926
2. Teh Yuan Gold Mining Co.....240 " " "
3. Sin An Gold Mining Co.....200 " " "
4. Yung Ping Gold Mining Co.....200 " " "
5. Ku Hsi Gold Mining Co. ..... 70 " " "
6. Sui Cheng Gold Mining Co ..... 60 " " "
7. Sung Yeh Gold Mining Co ..... 30 " " "

In the absence of detailed information, it is impossible to ascertain the exact number of all the gold mines existing in the Aigun region as well as their aggregate gold output. The

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In the United States Court for China

In re	Cause No. 2979
Last Will and Testament	Estate No. 604
of	NOTICE
CHARLES McCASLIN, Deceased.	

Pursuant to an Order of said Court, notice is hereby given to all persons having claims against the Estate of CHARLES McCASLIN, Deceased, to present the same with vouchers to the undersigned on or before March 17, 1928; and all persons owing debts to said deceased are hereby notified to make payment of the same in due course to the undersigned.

Edward H. Dunning

Executor.

Shanghai, China.
Sepember 12, 1927.

only official information registered by the Peking Geological Survey refers to the three companies only: Feng Yuan, Teh Yuan and Tai Ping (the latter company own a mine in the Lopeh district), giving the following outputs for the three latest years:

Year	Name of Companies	Output of gold in Chinese ounces (taels) of 37.3 grams	Kilogrammes
1923	Feng Yuan, Teh Yuan and Tai Ping	136,139	5,078
1924	Ditto.....	106,642	4,078
1925	Feng Yuan and Tai Ping	150,000	5,595
1926	Not specified	53,440	1,993

Considering the usual concealment of up to 100 per cent of real gold output from the official registration, and the output of gold of all the other companies, the general opinion is that the Aigun district, on the most conservative estimate, annually yields not less than 5,000 killogrammes of metallic gold.

The *Huma* and *Moho* districts, watered by the auriferous rivers Kumara Ho, Panga Ho, Omuern Ho (Asbasiha) and a number of others, according to all the evidence, are far richer in gold than the Aigun district. With the exception of the above mentioned gold rush of 1882/3 on the Jeltuga Creek of the Omuer Ho system, both those regions, the Huma as well as Moho districts, have all this time remained little explored and escaping the attention of the Chinese. It is only recently the example of the successful gold mining in the Aigun district has attracted the attention of the Chinese to Huma and other rivers north of Taheiho. By this time there is hardly a stream not covered by new claims, and a large number of gold mines has just recently commenced operation, owned mostly by Kwan Hsin Gold Mining Co. Of other important gold mine owners are: Ching Kwan-chiu and Yu Hsin-huo (200 and 250 miners respectively in 1926). According to reliable information, collected by the author, in the Huma district the Kwang Hsing Gold Mining Co. alone produces annually not less than 100 poods or 1,638 kilos of gold, and from 10 to 30 poods comes from all the other mines. Taking the minimum figure, it will be only a conservative one if we will estimate the output of gold in the Huma district at 110 poods or 1,801 kilogrammes. As regards the Moho district the output estimates vary from 10 to 30 poods, but to remain in the sphere of conservative figures we shall estimate it at 10 poods or 164 killos.

"Wildcat" Chinese Concerns

The *Shihawei* and *Tsingkang* districts, watered by a number of auriferous affluents of the frontier Argun River have also just been involved in regular gold mining. The gold mine at the Kilalin (Kelari River), formerly operated by the Russian Upper-Amur Co, is worked now by the Kwang Hsin Co, the latest output being, in 1926, 222 catties or 132.5 kgr. North of Niuer Ho or Bistraya is developing operations. The Sing Hua Co. annual yield of gold already runs over 163 kgr. a year. There are some other companies in progress of organisation, and very numerous illicit Chinese working producing annually, it is said, not less than 20 poods or about 328 kgr. of gold. The total output of all that region is conservatively estimated at not less than 650750 kilogrammes of gold a year.

On the *Nonni* River system the only information available about the output of gold concerns the *Muerkan* gold mine in the Nungkiang district, which produced, in 1926, 167 catties or about 100 kilos of gold.

The last region of the Heilungkiang where regular gold mining is already carried on a small scale is the Taipingkou gold mine in the Lopeh district, and small mines on the upper reaches of the Utung Ho and Tuiu Ho, the region of the former Russian *Kwanyinshan* Concession. In the absence of the exact figures, the annual output of 20 poods or about 328 kilogrammes will be only a conservative estimate.

With regard to Kirin province the information on the gold output is also scarce, and, it must be said, much more indefinite than for the Heilungkiang province. The main reason is the smaller number of gold mining companies operating there, and also the smaller size of the deposits. The official registration of their gold output is most unsatisfactory, only a small part of the output being reported for registration. Widely developed in Kirin province is the illicit washing of gold, expressed, in aggregate output, in a rather considerable figure. That it is considerable, may be judged, for instance, upon the example of the Hunchun region, where in 1926 was exported through the town of Hunchun not less than 80 kgrs (5 poods) of gold, produced mostly by unauthorised miners.

The basin of the upper reaches of the Sungari, with such important centers as Chiapikou, is estimated to produce not less than about 820 kgrs (50 poods) of gold annually.

About the same quantity of gold comes annually through the town of Sansin, on the Lower Sungari, chiefly from the basin of the Wukon Ho River.

Some quantity of gold regularly comes from small gold mines and from illicit miners from the auriferous regions of the Huifa Ho, Tumenkiang, Mutankiang and Mulin Ho rivers, estimated totally at a minimum of about 328 kgrs.

Summing up all the above mentioned aproximate estimates of annual output of gold in different regions, we may represent them in the following summary table of the total gold output of North Manchuria:

Approximate estimate of the North Manchurian annual gold output

Regions	Kilogrammes
Heilungkiang Province:	
1. The Aigun district, not less than	5,000
2. The Huma district, not less than	1,801
3. The Moho district, from 164 to 492 kgrs. taken in average figure	338
4. The Shihwei and Tsingkang districts, from 650 to 750 kgrs. average	700
5. The Nonni region.....	100
6. The Little Khingan region.....	328
Heilungkiang's total	8,268
Kirin Province:	
7. The Upper Sungari regions, Chiapikou and others	820
8. The Sansin region of the Lower Sungari (the Wukon-ho River and others)	820
9. The Mutankiang, Mulin Ho, Sui-feng Ho and Tumenki ang regions	328
Kirin's total	1,968
Grand total	10,235

Or, taken in the round figure of 10,000 kilogrammes, the approximate total gold output of North Manchuria is expressed in value by the imposing figure of the U. S. $. 6,646,-000 a year.

In South Manchuria

Owing to the special interests of the Japanese in South Manchuria, this part of China must be, by this time, regarded quite well investigated with respect to its geological structure. The Japanese Geological Institute of Dairen gives, for instance, the following summarised description of gold occurrence in South Manchuria.

"In South Manchuria, both gold ores and placer gold are found together in one locality and usually the latter can be traced back to the former which is mountain gold in veins. The most common group of the gold ore deposits is found in the Archean gneiss either in quartz veins or in the contract zones with other acidic or basic intrusive rocks. The second group occurs in the form of a vein or as an impregnation in the siliceous limestone or the schist of the pre-Cambrian age. The third is in the contact zone of limestone, dolomite, sandstone or shale with igneous rocks. The fourth is in granite and quartz porphyry or, uncommonly in the contact zone of these with other igneous rocks".

The placer gold is not a rare occurrence in South Manchuria, it is usually of passable quality, but only in a few known placer grounds it has been found in fair quantity. Judging by the Japanese sources of information, something about twenty localities may be considered as worthy of attention from the point of view of the placer gold. At the present time, as the author has been able to ascertain, there are operating in South Manchuria eight small alluvial gold mines, four Chineese and four Japanese owned, producing jointly an aggregate of 500 to 600 kilogrammes of gold a year. As it has been reported, in two of those mines there are some British interests, represented by the Newchwang firm Bush Bros. Meagre as are the most of known placer deposits, still it is quite established, even from the first Russian investigations before the Russo-Japanese War, that South Manchuria possesses placer gold of commercial value.

Gold-bearing Veins

However, as has been shown by the results of the recent researches of the Japanese, of more important significance in South Manchuria is the mountain vein gold. Nearly all of the known deposits of placer gold, as it has been said, can be easily traced back to the mountain gold-bearing veins of, in most cases, commercial value. At the present time, there is no mines in South Manchuria working vein gold, but there are known a number of promising gold ore deposits suitable for the founding of large enterprises. The largest prospecting work, done by the Japanese along the Mukden-Antung railway line, proved, for instance, the importance of the gold-bearing quartz veins, found in commercial quantity, in the zone of gneiss in the vicinity of Fengshui station. The ore near the locality of Chinghanling on assays made by the Japanese Central Laboratory of the South Manchuria

Railway, was found to contain 0.0064 % of gold in the ore (6.4/100,000), while a gold ore being considered as economically workable from 0.00010% upwards (1/100,000). Dr. H. Murakami, Director of the Dairen Geological Institute mentions this gold ore deposit as a precious asset to the resources of the country, and there is no doubt that it is not an only exception.

Promising vein gold deposits are known to exist in central and northern portions of South Manchuria and in the mountains along the River Yalu; it is found in the central part of the Liaotung peninsula as well. Gold-bearing quartz veins found in South Manchuria on the right side of the River Yalu are met with in the similar geological conditions as in the adjoining regions of Korea, and, it is supposed, that the reserves and the contents of gold will prove to be there not less rich that it has been found in the actually existing and successfully working Korean vein gold mines.

Observations

As has been mentioned, the rising of the modern Chinese gold mining industry in Manchuria does not date further back than since the time of the Russian Revolution, which supplied North Manchuria with thousands of experienced Chinese miners returned from the Russian Amur gold-fields. Until that time, i. e. up to 1919-1920, there were in North as well as in South Manchuria a small number of primitive native gold mines, which were working only spasmodically, without capital, and that mining activity hardly merited to be even mentioned as an industry.

The gold rush of 1922-1924, caused by the rich gold of the River Fabira. Aigun district, brought to life a large number of small Chinese gold mining companies, the capital of which consisted of hundreds and thousands of small shares, ranging from 10 to 100 dollars, the bulk of shareholders being represented by small native merchants, officials and miners themselves. In two or three companies only some large capital of Taheiho, Harbin and Tsitsikar merchants plays some role, and in only one company we find the investment of capital by bankers,—the case of the Tsitsikar Provincial Bank which owns the Kwang Hsin Gold Mining Co.

As we know that during the years of that gold rush there were employed in the Aigun region about 15,000 miners, we may fairly conclude that the aggregate capital of all the Chinese gold mining companies was hardly over 1,000,000. probably much less, something about 750,000. Small as it was, the results obtained by these Chinese pioneering companies were so favorable that it created among Chinese the belief that they are doing well with their own capital, and neither foreign money nor any shade of foreign assistance is required. More than that, the lucrative profits of the gold rush period which descended upon the Chinese without any assistance of foreign experts or capital, created with the Chinese their self-confidence of the sufficiency of their own capital and mining abilities, and they jealously guarded the whole industry not only from any intrusion of foreign capital, but even were steadily rejecting all numerous offers of foreign experts. One of the typical examples of that kind was the rejected offer of two Australian gold mining specialists, which visited the Aigun region in 1924-25, and having seen that the backward methods of mining give the waste of nearly 40 cent of gold, that they offered to the Chinese to undertake contract works on the basis of 15 per cent payment for the saving of the said 40% waste.

The decreased production of gold, which began in 1925 and, in particular, in 1926 has compelled the Chinese mining companies to limit their working scope, and have brought many of them into serious financial difficulties owing to the extreme limitedness of their own working capital.

Lack of Reserves

The weak spot of the Chinese gold mining companies has come to evidence immediately when the easy Fabira gold was finished, and new discovered properties required costly prospecting and more expensive equipment of workings. The hundreds and thousands of small shareholders, who in the first two years received large cash profits, could not reconcile themselves with the idea to put some money aside for prospecting and improvement of mines. Their common slogan is the immediate division of the gross profits, without any regard that by such a policy they bleed to death their own companies. Not the exhaustion of gold in the Aigun district but the short-sighted tactics of the majority of the Chinese gold mining companies, the absence of knowledge that the gold mining industry, as any other, requires ever increasing capital *for its development*, that is the main reason of the actual difficulties of the Chinese gold mining industry of North Manchuria. Generally speaking, the Chinese companies adopt in gold mining in Manchuria the most primitive hand methods, and only the largest mines have in use, although also primitive, the hydraulic mining process and the Russian style of sluicing.

(*Continued on page 134*)

In the United States Court for China

ROBERT MISHLER, Plaintiff,
vs.
MARY ELIZABETH MISHLER, Defendant.

Cause No. 2896
Civil No. 1236

SUMMONS.

Filed at Shanghai, China, September 20, 1927.
L. T. KENAKE
Assistant Clerk.

The President of the United States of America

To the United States Marshal for China and his Deputies—

GREETING:

You are hereby commanded to serve this Summons and a copy of the complaint in the above entitled action upon the defendant

MARY ELIZABETH MISHLER

and to notify her to be and to appear before this Court on or before the fortieth day after service hereof to file her written answer on oath.

(SEAL)

WITNESS THE HONORABLE MILTON D. PURDY, Judge of the United States Court for China, Shanghai, China, S pt. 20, 1927.

L. T. Kenake
Asst. Clerk.

Excerpt from Regulations, Section 8: On proof of due notice judgment by default shall be procured against any defendant failing to appear and file his written answer as required.

In the United States Court for China

ROBERT MISHLER, Plaintiff,
vs.
MARY ELIZABETH MISHLER, Defendant.

Cause No. 2896
Civil No. 1236

ORDER.

Filed at Shanghai, China, September 20, 1927.

L. T. KENAKE
Assistant Clerk.

ORDER.

The object of this suit is an action for divorce.

On motion of the plaintiff on this 22nd day of September, 1927, it is ordered that the defendant cause her appearance to be entered herein on or before the fortieth day, exclusive of Sundays and legal holidays accruing after the day of the last publication of this order; otherwise the cause will be proceeded with as in case of default.

MILTON D. PURDY
Judge,
United States Court for China.

Dated: Shanghai, September 20, 1927.

Some Problems of the New Nationalist Government

BY J. B. P.

The newly reorganized Nationalist Government at Nanking rests upon the military strength of three National Generals, Bei Tsung-chi, Ho Yin-chin and Li Tsung-jen, who were formerly under Gen. Chiang Kai-shek. These three military commanders have approximately 30,000 troops each or a possible total of 90,000, practically all of which are stationed in Kiangsu and Chekiang provinces.

Disarming the Non-Kuomintang Troops

Several days ago there was a little flurry along the Shanghai-Nanking and Shanghai-Hangchow railway lines when the forces of Bei Tsung-chi and Ho Yin-chin disarmed the troops of the 14th and 31st divisions, both of which were brought into the Nationalist forces through the defeat of Sun Chuan-fang n this area last spring. The decision to disarm these troops was made at the meeting of the Nationalist Military Council in Nanking, after it had been discovered that the commanders of these divisions had been plotting with Gen. Sun Chuan-fang to stage a rebellion in the Shanghai area simultaneously with the advance of Sun Chuan-fang across the Yangtsze River at Nanking and Chinkiang. Since these troops have been disarmed, the only 'foreign' troops left in Kiangsu and Chekiang provinces under the direct jurisdiction of the Nationalist Government are some 15,000 troops stationed chiefly in Chekiang and in the Shanghai district under Gen. Chow Feng-chi, who joined the Nationalist forces after the defeat of Sun Chuan-fang in Kiangsi early last spring. There have been rumors that these troops are also to be disarmed, but nothing authoritative has been stated on this subject. Should it be attempted, it is likely to create further disorder in this area, but as stated there is nothing more than rumor in this connection.

The Problem of Tang Shen-tse

Another military problem which faces the new Nationalist Government at Nanking is the attitude of Gen. Tang Shen-tse, military commander in Hunan and Hupch and partial commander of Kiangsi and Anhwei. Gen. Tang is reputed to have approximately 100,000 troops, some three-fourths of which are fairly well armed. When Gen. Sun Chuan-fang attempted his recent come-back to the Lower Yangtsze area, Gen. Tang thought this would provide him with an opportunity to grab some territory in this area for himself, while 'cooperating' with Nanking in the fighting against Gen. Sun, but after transporting a considerable force down the Yangtsze from Hankow to Anhwei province, he discovered that the three Nanking generals, Ho Yin-chin, Li Tsung-jen and Bei Tsung-chi, were too strong so he contented himself by occupying southern Anhwei province from Anking to Wuhu which brings his forces next-door, so to speak, to Nanking.

Mr. Sun Fo, former Minister of Communications of the Wu-han Government, Who Now Assumes Office as Minister of Finance of the Nationalist Government at Nanking.

That Gen. Tang Shen-tse constitutes the greatest puzzle or problem of the Nanking Government, goes without saying. It is openly admitted by the Nationalist officials, some of whom are of opinion that Gen. Tang will have to be subdued, while others believe that it will be possible to bring him into line through peaceful means. The fact that many of the Kuomintang members who failed to find a place in the Nanking Governments are now beginning to congregate in Hankow, looks disturbing on the surface despite protestations to the contrary. According to an article appearing in the *Hankow Herald*, the American newspaper published in Hankow, for Sept. 23, it was stated that "interesting political developments are expected to crop up in Wu-han in the near future with the return of the prominent Nationalist leaders who have refused to attend the Nanking Conference or accept the appointments made by that Conference. Leading spirits of the Kuomintang such as Wang Ching-wei, former chairman of the Central Executive Committee; Koo Meng-yu, former Minister of Finance of the Nanking Government; Chen Kung-po and others." The article stated that a "big meeting" was held to welcome Wang Ching-wei "for the purpose of forming the Wu-han branch of the Political Council to have direct control over the political affairs in the Wu-han area." According to the report, this meeting was attended by Gen. Tang Shen-tse, Wang Ching-wei, Chen Kung-po, Koo Meng and "some twenty-nine other Kuomintang leaders as members." The committee formed consisted of thirty-three and "great interest was centered upon this political organization."

That Nanking is watching the developments in Hankow with undisguised interest, is indicated in reports from Japanese sources stating that Gen. Tan Yen-kai, one of the members of the Nanking Military and Political Committees, has been sending telegrams to Gen. Tan Shen-tse inviting him to come to Nanking for a conference.

The Problem of Feng Yu-hsiang

Marshal Feng Yu-hsiang, controller of Honan, Shensi and Kansu provinces, constitutes another problem for the Nationalist Government from a military standpoint. Feng has an army reputedly of a strength of 100,000 men, but poorly armed. Recently Feng dismissed from office Gen. Chin Yun-ao, a former Wu Pei-fu commander who joined the Nationalists following the occupation of the Hankow area last winter. General Chin has been playing a double game, for while nominally supporting the Nationalist cause he has been plotting with both Chang Tso-ling and Tang Shen-tse against Feng Yu-hsiang. Recently Feng dismissed Gen. Chin from office and drove his troops out of Honan. Later, there was a report from Hankow that Gen. Tang Shen-tse had decided not to permit Gen. Chin's troops to enter Hupch for fear of arousing the animosity of Feng Yu-hsiang, but that Tang had decided to send Chin's troops, numbering approximately 40,000 men to Anhwei for the purpose of harassing the Nanking generals. This report was from Japanese sources. Of further interest in connection with the situation in the Hankow region was a report that the Japanese had decided to recognize Gen. Tang Shen-tse as the ruling power in the Yangtsze and had decided to negotiate with him directly for the settlement of outstanding problems affecting Japanese interests. It was also stated that the Japanese had decided to return all of their nationals to the Hankow area upon the promise of Gen. Tang that they would not be further interfered with. There was also a report that the Japanese had decided to remove all of the barbed-wire barricades from the borders of their concession at Hankow.

The Canton Problem

We now turn to the situation in Canton and South China which constitutes another problem for the newly organized Nationalist Government at Nanking. Canton is controlled by Gen. Li Chi-shen, a military commander who was appointed to office by Gen. Chiang Kai-shek. Gen. Li is a loyal follower of Gen. Chiang and recently has been sending telegrams to the Nanking Government demanding the reinstatement of Gen. Chiang. Then in addition to Gen. Li there is now in the Canton district the army of Gen. Chang Fa-kwei, another Kuomintang military commander who was forced out of the Yangtsze Valley by Tang Shen-tse. Gen. Chang formerly was in command of about 30,000 troops at Kiukiang in Kiangsi province, but moved them overland to Kwangtung province several weeks ago, presumably for the purpose of pursuing the troops of the so-called Communist general Yeh Ting, formerly in command of Nanchang in Kiangsi. But instead of pursuing Yeh Ting, Gen. Chang moved his troops to Kwangtung and latest reports have it that he has returned to Canton and is now cooperating with Gen. Li Chi-shen. In the meantime the communist troops numbering some 5,000 under Gen. Yeh Ting have occupied Swatow, the important port in eastern Kwangtung province, displacing troops belonging to Gen. Li Chi-shen in Canton.

This about exhausts the major military problems of the Nationalist Government and covers all of the leaders with the exception of Gen. Cheng Chien, who is supposed to have 15,000 or 20,000 troops scattered along the Yangtsze from Hankow to Nanking. Gen. Cheng, it may be remembered was the Nationalist commander who captured Nanking and was in command of the troops which perpetrated the Nanking incident. Gen. Cheng is now in Nanking and participated in the recent Kuomintang conference in that city.

(Continued on page VI)

Men and Events

The Shanghai American school reopened last week with a larger enrollment than in any previous year.

A. P. Finch of the editorial staff of the *Shanghai Times* who has been home in England on vacation for several months has returned to Shanghai.

Donald Roberts, professor of history at St. John's University, has returned to Shanghai after an extended trip through Korea and Manchuria.

George Villas, who has been connected with the Dollar Steamship Company in Manila and Hongkong for the past four years has arrived in Shanghai and will be stationed here for the present.

F. Edmondston, Far Eastern representative of the American surgical supply house, Johnson & Johnson, arrived in Shanghai September 23 by the s. s. *President Lincoln*, on a business trip.

Bishop George R. Grose of the Methodist Episcopal Church, occupied the pulpit at the Community church in Shanghai Sunday, September 23. He is proceeding to his regular mission field in Szechuen.

The Commercial and Credit Information Bureau, publishers of the Comacrib Directory, have established their own printing plant in Shanghai, equipped with two linotypes, a two-revolution press, and other modern printing equipment.

Dr. Needham, a wellknown biologist from Cornell Univeristy and Mrs. Needham, entertained a number of returned Cornell students at the home of Dr. and Mrs. Anderson, 75 Avenue Petain, Shanghai, on the afternoon of September 23.

Thomas Lamont, prominent American financier, now *enroute* to Japan, is accompanied by Jeremiah Smith, who reorganized the finances of Hungary, and Martin Egan, now with J. P. Morgan & Co., well known in the Far East as former editor of the Manila *Times*.

Tsu Yui, a member of the Provisional Committee of the French Municipal Council of Shanghai, was kidnapped whilst proceeding to his office in a motor car September 26. The incident occurred shortly after Mr. Tsu had left his home in Avenue Roi Albert.

Bishop and Mrs. W. N. Ainsworth of Macon, Georgia, arrived in Shanghai from Japan by the s. s. *Shanghai Maru* September 26. Bishop Ainsworth is in charge of the work in the Orient of the Methodist Episcopal Church South, and is in Shanghai to preside over the annual conference to be held commencing October 19 in Allen Memorial Church.

The Shanghai *Mercury*, the oldest evening newspaper in Shanghai, which in recent years had been operated by British subjects in the interests of Japanese owners, has been purchased by a group represented by Cumine & Co., a British architect firm. Influential Chinese are stated to be prominent stockholders.

Maurice Hindus, special correspondent for the *World's Work* and *Asia Magazine* of New York, who has been in China for several weeks investigating conditions, departed on Saturday, Sept. 24 for Japan and after a few days there will proceed to the United States. Mr. Hindus came to China from Russia.

H. J. Timperley, chief assistant in the office of *Reuters* Service, Peking, departed from Shanghai on Friday, Sept. 23 for his home in Australia where he will spend several months on vacation. Mr. Timperley came to China about six years ago and after three years in Hongkong went to Peking where he joined the staff of *Reuters*.

Two thousand Chinese employees of the British owned Shanghai Dock are on strike, their demands including the dismissal of a certain foreign employee, a stipulation that no apprentices under sixteen years are to be employed, an increase in wages, an indemnity for persons killed while at work, and a contribution to the employees' union.

The year-old daughter of Mr. and Mrs. H. H. Solomon, 139 Route Vallon, Shanghai, was killed September 21 while being conveyed in a baby carriage in an elevator, having been thrown out of the carriage through the handle catching the door at the landing while the elevator was in motion. The funeral service was held according to the rites of Christian Science.

Peter Grain and G. W. King have been permanently appointed respectively Chief Judge and Assistant Judge of the British Supreme Court in Shanghai. Mr. Grain had been Assistant Judge for several years and Mr. King had been Registrar for more than twenty years. These appointments were made necessary by the retirement of Chief Judge Sir Skinner Turner.

In the United States Court for China

PAUL F. FAISON, Plaintiff,
vs
JENNIE FAISON, Defendant.

Cause No. 2980
Civil No. 1231
SUMMONS
Filed at Shanghai, China,
Clerk.

The President of the United States of America

To the United States Marshal for China and his Deputies—
GREETING:

You are hereby commanded to serve this Summons and a copy of the complaint in the above entitled action upon the defendant

JENNIS FAISON

and to notify her to be and appear before this Court on or before the fortieth day after service hereof to file her written answer on oath.

(SEAL) WITNESS the HONORABLE MILTON D. PURDY, Judge of the United States Court for China, Shanghai, China, Sep. 8, 1927.

L. T. Kenake,
Asst. Clerk

Excerpt from Regulations, Section 8: On proof of due notice, judgment by default shall be procured against any defendant failing to appear and file his written answer as required.

In the United States Court for China

PAUL F. FAISON, Plaintiff,
vs
JENNIE FAISON, Defendant.

Cause No. 2890
Civil No. 1231
ORDER
Filed at Shanghai, China, September 8, 1927.

L. T. KENAKE
Ass't Clk

ORDER.

The object of this suit is an action for divorce.

On motion of the complainant it is this 7th day of September, 1927, ordered that the defendant cause her appearance to be entered herein on or before the fortieth day, exclusive of Sundays and legal holidays accruing after the day of the last publication of this order; otherwise the cause will be proceeded with as in case of default.

MILTON D. PURDY
Judge
United States Court for China.

September 8, 1927

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(*Continued from page 131*)

The centralised mining operations under the control of the company's technical staff have not been as yet adopted by the Chinese companies in Manchuria. The common form of working the mine is the contract system of a number of small gangs of miners usually consisting of 15 miners working under a headman, who is responsible for the minimum delivery of gold per day from the section of gold-bearing ground alloted to the gang.

Each member of the gang is required to procure not less than half of a zolotnik (the Chinese miners nearly all of them being former workers at the Russian gold mines measure gold obtained and its contents in the alluvium by the Russian measure of zolotnik equal to 4,266 grammes), or 2. 1 grammes a day, and to sell it to the Company at the fixed price of 3 local dollars (just half of the normal market price) per zolotnik of 4. 2 grammes. With such productive capacity of a Chinese miner the company would make a moderate profit, but if the figure of daily production per miner drops to one-quarter of zolotnik or 1 gramme, the proceeds would be barely enough to cover expenses. The miners work about 250 days a year, which fact is one of the favorable features of gold mining in Manchuria.

Besides the fact that the Chinese companies obtain gold from their miners for the half of what it is worth in reality, the companies enjoy large profits from the selling supplies to the miners, for which the latter always are in permanent debt to the companies.

The normal Government tax on the gold produced is as high as 20 per cent, but the burden of taxation is not limited with that heavy tax in itselt. At the headquarters of the mines, a number of armed guards are stationed for the maintenance of order as well as for protection of the companies' property. The up-keep of them lies also on the shoulder of the owner of the mine, as they also collect a varying tax on the companies' output. It is said, that the total taxation imposed on the Chinese gold mining companies in Manchuria runs as high as 30 per cent of the total proceeds.

Laws Limit Development

The normal Chinese Mining Law limits the superficial area of the gold mine to 5 sq.li or 1 1/3 sq.mile, which naturally is a great impediment for the proper development of gold-bearing property. That restriction is, since recently, abolised in North Manchuria by the local administration, and in the Heilungkiang the Chinese companies may obtain the concessions covering the whole system of a gold-bearing river. If this reasonable practice will be finally legalised by the central Government and extended on the other provinces of Manchuria, it would considerably conduce to the general development of the gold mining industry.

The foreigners have no right to register claims under their own name, and they must form the mixed sino-foreign companies with fifty-fifty per cent participation. As practice shows, the Chinese understand this form of participation in such way that the foreign capitalists must supply the money, take upon themselves all the financial-risks and the Chinese part of the company being the property, enjoys 30 per cent of all profits, but does not share in the losses. This last side of the question is mostly responsible for the reluctance of foreign capitalists to invest money into Manchuria's gold mines, although the Chinese themselves by now recognise the extreme urgency of supply of foreign money, and the necessity of introduction of more perfect modern technical methods of mining.

North Manchuria, although its gold mining is still in the period of infancy, knows in modern times two gold rushes: the Jeltuga gold rush in 1882/83 and the recent rush on the River Fabira. In both cases the miners met with rich shallow alluviums, where gold has been lifted with negligible expenses, and gold nuggets of notable size have been often found. It is quite probable that a number of other similar streams will be discovered along the Amur River, and, may be, in some other regions of North Manchuria, but it must be noted here that there are in North Manchuria hundreds of localities where gold of a steady commercial value is found. which promise to give more gold under rational, systematical methods of exploitation.

There are, for instance, in North Manchuria very suitable and promising dredging grounds located in the vicinity of railway and water communications. At the present time, with the little capital the Chinese possess, it is out of the question to see them working unless some large foreign capital comes to their aid. In the same conditions of impossibility of its utilization is the rich vein gold wealth of North and South Manchuria. Tens of millions of dollars are required to develop these main resources of gold in Manchuria, and, in the author's belief, as soon as the Chinese and foreign capitalists find some mutually acceptable practicable terms of co-operation, North Manchuria as well as the Russian Far East will not suffer from the absence of offers of foreign capital.

Harbin, August 1927.

From the Chinese Press

(News items pertaining to Chinese politics appearing under this heading, are taken mostly from the daily reports of the Kuo Wen (independent), Kuo Min (Nanking official) Nationalist (Wu-Han official) and Toho (Japanese) news agencies, and from translations of articles appearing in the local Chinese press).

September 21—Japanese Consul, Mr. Takao and Japanese Admiral Araki, confer at Hankow and decide to remove the barbed-wire barricades around the Japanese Concession at Hankow; Japanese shops in the former British Concession also reopening for business—*Kuo Min* reports state that the standing committees of the Political and Military Councils hold meeting and decide: (1) To continue work of purifying the Kuomintang; (2) Put principles of party into actual practice; (3) Empower the Central Special Committee to carry out the wishes of the people; (4) Push the Northern campaign; Standing Committee of the Government also approves program for making the army a party army, destroy the communist party, make preparations for continuing northern expedition, cut down military expenditures, disseminate political propaganda in the army, sympathize with the sufferings of the army—Generals Ho Yin-chin and Bei Tsung-chi disarm 91st and 93rd regiments of 31st army on grounds their officers were plotting with Sun Chuan-fang to return to the Shanghai area; were formerly under Sun Chuan-fang but later incorporated into Nationalist forces—Gen. Liu Sze appointed commander of the 1st army of the Military Council in recognition of his recent services in defeating Sun Chuan-fang—*Toho* report from Peking states that Chang Tso-ling has dismissed Mo Teh-hui, civil governor of Manchuria owing to Mr. Mo's failure to put down the anti-Japanese agitations and has appointed Liu Hsiang-ching as Mo's successor—Japan appoints Mr. Shigemitsu, first secretary of the Japanese Legation as technical delegate to negotiate with the Chinese over a new Japanese-Chinese commercial treaty; China appoints Tang Tsai-chang as Chinese technical delegate—Anti-Japanese boycott in Manchuria becomes more serious, the Chinese raising $2,000,000 for the purpose of establishing a silk filature to become independent of the Chinese; Chinese also decide to establish a newspaper in connection with the movement.

September 22—Chang Hsueh-liang, son of the Mukden dictator, announces his intentions of forming a new political party for the purpose of "competing with the Kuomintang" —Troops of Gen. Chin Yun-ao, recently defeated in Honan by Feng Yu-hsiang, now reported at Nanyang, Honan—*Kuo Min* agency circulates 'inauguration manifesto' of Nationalist Government declaring that the purpose of the Government is to purify the party of communist elements and continue the Northern expedition—First meeting of the Standing Committee of the Nationalist Government appoints Ling Hin-hai as chief secretary and Huang Hui-lang as assistant chief-secretary—Wang Pei-chun, Minister of Communication; C. C. Wu, Minister of Foreign Affairs and Sun Fo, Minister of Communications, depart from Nanking for Shanghai—Government Committee appointed to investigate China Merchants Steamship Company, completes work but does not announce results of investigation—Hankow report by *Kuo Wen* states that railway traffic between Hankow and Chengchow, Honan has been restored—Hankow Chamber of Commerce petitions for release of Gen. Liu Tso-lung, who was arrested some time ago—Chang Tso-ling dispatches airplanes to Hsuchowfu and Pengpu—Chang Tso-ling appoints Chang Shi-yi as his delegate to the Japanese military manouvers this fall—Sino-Italian Committee formed in Peking to administer balance of Italian share of Boxer Indemnity—Railway traffic resumed on Shanghai Nanking-Hangchow lines.

September 23—Anti-Japanese flare-up at Hankow, but quickly settled and both sides apologize—Gen. Yeh Ting, who was

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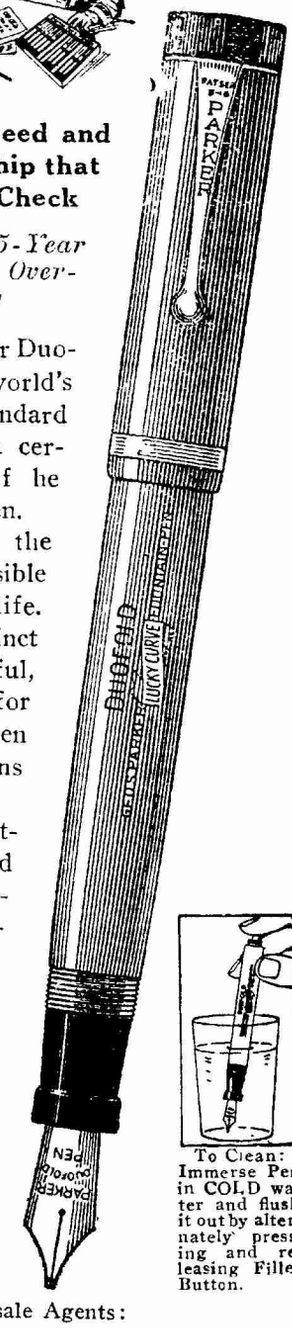

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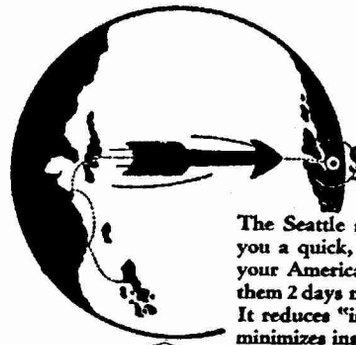

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driven from Kiangsi several weeks ago moves on Swatow and officials flee—Wang Tiao-ming and Koo Meng-yu arrive at Hankow and are entertained by the Kuomintang and leaders of the Tang Shen-tse faction—Soviet military adviser Gallen, reported to be preparing to depart from Hankow for Russia—Wang Ching-wei goes to Hankow—Mr. Wakasugi, chief of Foreign office bureau, Tokyo, departs on inspection trip to south China—Provincial bank notes in Shantung again slump—More than 20,000 tons of cargo held up at Tientsin owing to silting of river—More than 3,000 bandits menace the Tientsin-Pukow railway in Shantung—Hankow Government appoints Hsueh Teh-pi as assistant Managing-Director Peking-Hankow Railway—Gen. Tang Shen-tse, accompanied by body-guard goes to Chengchow, Honan—Gen. Liu Hsin, upon orders of Tang Shentse, suddenly disarms troops of Gen. Kuo Kwang-yen—Gen. Chiang Kaishek suddenly arrives in Shanghai and announces his intentions of going to America—Many officials of Nanking Government, including Bei Tsung-chi, Chu Peh-teh, Sun Fo, C. C. Wu, Tsai Yuan-pei arrive in Shanghai from Nanking—Gen. Chang Chung-chang, tupan of Shantung—Chang Tso-ling dispatches armored trains manned by white Russians from Tientsin to Tsinanfu, Shantung.

September 24—Toho report from Tokyo states that Japanese troops now stationed in China include 8 companies in North China, including 2 at Peking, 5 at Tientsin and 1 at Shanghai kwan, this however not including troops in Manchuria—Nationalist Government, through ***Kuo Min*** news agency issues statement to the effect that the Political Council, which was equivalent to the Political Bureau in Soviet Russia, has been abolished, its place being taken by the Central Special Committee which performs largely the same functions, the membership being largely identical with the supreme organ of the Kuomintang Party and the Government Council—Nanking Government forms Training Institute for Commissioned officers, purpose being to train military officers for revolutionary work—Nanking Military Council orders 300,000 winter uniforms for army—Shanghai Ratepayers Assoeiation (Chinese) congratulates Dr. C. C. Wu upon his reappointment as Minister of Foreing Affairs—Feng Yu-hsiang appoints Liu Chi as his representative at Nanking—Chinese organizations at Shanghai including Chamber of Commerce, city chamber, street unions, give reception in honor of C. C. Wu, foreign Minister, Sun Fo, Finance minister, Admiral Yang Shu-chwang of the Navy and other Nationalist officials now in Shanghai from Nanking—Chinese captain and members of crew of Chinese gunboat Kuangkin decamp with $300,000 in Central bank notes which had been collected as taxes on Hainan Island when the ship stopped at Yangkiang, a town near Macao and Kwangchou Bay; Gen. Li Chi-shen, commander at Canton issues order for captain's arrest but he has disappeared—So-called 'communist' troops under Yeh Ting and Ho Lung suddenly appear at Tapu in Han River area at Canton and attack troops of Gen. Chen Ta-chun, inflicting serious damage and are now threatening Chiachow; Gen. Wang Chun, defense cnmmissioner at Swatow rushes troops to area; serious confusion prevails in Swatow over the situation.

September 25-26—Gen. Chang Chung-chang, tupan of Shantung orders troops at Hsuchowfu to prepare for an advance against the forces of Feng Yu-hsiang numbering some 10,000 under Generals Li Hu-chen and Yang Hn-chen, now stationed at the town of Huitea in eastern Honan and only about 100 miles westward of Hsuchowfu, the junction of the Lung-Hai and Tientsin-Pukow Railways—Tang Shen-tse, orders suspension of Central Bank at Hankow as step toward stabilization of finanoial situation—Japanese admiral Araki departs from Hankow for Chungking—Gen. Chang Hsueh-liang, son of the Mukden dictator, announces intentions of dispatching an agent to the South on a peace mission to the Nationalist leaders—Gen. Yeh Ting, leader of the so-called commuist troops, captures Swatow from the forces of Gen. Li Chi-shen at Canton; Gen. Chang Fa-kwei, formerly in Kiangsi, reaches Canton and joins up with Gen. Li Chi-shen—Reported that peasant-troops in Kwangtung are are actively cooperating with the forces of Gen. Yeh Ting—

(*Continued on page VI*)

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The Prospects for American Can Shares

By a Financial Expert

If American Can expends in 1927, as was planned early in the year, $9,000,000, or more, upon new construction and equipment of plants, it will mean that in the four fiscal years to December 31 next, the country's largest can producer will have devoted between $28,000,000 and $29,000,000 to a property expansion and modernization of existing facilities. This sum in turn would be equal to nearly $12 per share on the 2,473,998 shares of common. All of this four year expenditure has been met from current resources. There has been no new financing. In fact, in this four year period over $8,000,000 of debenture bonds have been called and retired, so that for nearly three years the corporation has had no bonded debt outstanding. Explanation of the company's ability to carry through a $28,000,000 property expansion program, require some $8,128,000 of bonds, and still maintain its working capital at practically the same level as in 1923, lies principally in the fact that less than 30% of net available for common dividends during the five years to December 31 last, was actually distributed in dividends. For example, in the five year period ended December 31, 1926, American Can earned $19.57 per share on the present number of shares of common, 2,473,998. Of this $19,57 dividends absorbed but $5.70 leaving a surplus of $34,300,000 which went back into the business, either for bond retirement or to finance the demands for property additions and improvements.

The actual outlay for new construction in 1926 was $9,126,115, and it was stated in the 1926 report that approximately the same amount would be expended in 1927. It is probable that 1928 property expansion will run on a much smaller scale. The $9.000,000 expended last year went principally into western properties. The bulk of the $9,000,000 or more to be expended in 1927, will go into eastern plants, including a big new factory at Jersey City estimated to cost about $5,000,000.

In the nature of things the $18,000,000 put into property in 1926 and 1927 has not, as yet, had sufficient time fully to express itself in earnings. It will likely be another year before this $18,000,000 contributes the net which it may reasonably be expected to produce.

It is, perhaps, generally appreciated that because of a reduction in price of packers cans in January, 1926, and because of certain conditions of over-production and instability in the vegetable and fruit packing industries, last year was not a banner period for American Can. The balance for dividends in the December 31, 1926, year of $13,736,382, represented a decrease of $2,653,654, or 16%, compared with the record results of 1925. These earnings were equal to $4,38 per share of common after deduction of 7% preferred dividends, against $5,46 per share in 1925 and $3,41 per share in 1924, Early in 1927 it appeared rather probable that dividend net this year might fall below the 1926 level. Trade conditions in the packing industries were none too healthy. American Can was doing its best to discourage overproduction and to promote the best interests of its customers by helping them to stabilize their business. Conditions in recent months have tended toward improvement. Added to this is the growing importance of the company's "general line" business, meaning by this manufacture of an almost infinite variety of containers used for other than food purposes. This business is exceedingly stable and constantly growing and should in time become, perhaps, the chief source of net profits.

American Can is paying regular common dividends of $2 per share and is earning these dividends twice over. At current market prices the common yields but 3.3% income return and is apparently discounting the time when relaxation of demands for new property, or an enlargement in earning capacity, or both, will permit an increased distribution to common stockholders.

Does Not Believe in Theory of Nordic 'Superiority'

The theory of Nordic superiority is erroneous, according to Professor Ira W. Howerth, head of the sociology department of the Colorado State Teachers College, at Greeley, Colorado, who arrived in Manila recently, according to an account appearing in the Manila *Bulletin*, for an eight day survey of the island of Luzon. Professor Howerth accompanied by his wife, is making a round the world tour.

"Personally, I am an anti-imperialist and I regard the preamble to the Jones Act and the expressed intention of both our great political parties as a promise of independence binding upon our people. There should be no argument as to whether the American people should keep a promise.

"As an educator, I am chiefly interested in promoting accurate knowledge of the Philippines particularly and primarily among my own students," the professor continued.

The China Courier

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'In the Colorado State Teachers College we should be glad to welcome a body of Filipino students, and, I am sure would give favorable consideration to an interchange of American and Philippine University professors.

"It was a pleasure, and not a surprise to me, to learn that a recent report of the American Committee on Education, in the Philippines, basing its findings on strict intelligence and education tests, gave no encouragement to the doctrine of racial inferiority. I regard that doctrine, and the doctrine of Nordic supremacy, as unsound, scientifically. They are both obviously pernicious from a political and social viewpoint. The doctrine of equal rights, and treatment of every race and of every man on the basis of merit, is the first step to mutual understanding and permanent peace."

National City Bank Being Sued for Large Sum

In the United States Court for China September 26 Judge Purdy set October 28 as the date for trial of the action brought by the Harbin Electric Joint Stock Co. Ltd. against the National City Bank of New York.

The basis of the action is a current deposit, alleged to have been made by the Harbin Joint Stock Co., otherwise known as the Harbin Tramway Co., Harbin Tramway Concessionaires and Harbin Electric Light Joint Stock Co., Ltd., in the Harbin branch of the National City Bank, formerly known as the International Banking Corporation.

Judgment is claimed by the plaintiff company, for Harbin $225,741.52 and $239,441.22 with interest and costs in the action, following the refusal of the National City Bank to allow withdrawal of the money, as the result of an agreement that withdrawal of deposits was subject to checks signed by one E. W. Beardsley, representing the Beckman & Linden Engineering Corporation.

In answer to the complaint by plaintiff, the defendants stated that their Harbin branch shows the current account in question under the name: Beckman & Linden Engineeering Corp., represented by Mr. Beardsley and Mr. Sui Pan-dze, president, the Concessionaires Harbin Electric Light Joint Stock Co.

U. S. Court Holds It Has No Jurisdiction in Surtax Dispute

In the case brought by Longfellow & Adams, American importers in Shanghai, against the Robert Dollar Steamship Company, to compel the latter to turn over cargo which the plaintiffs had brought to Shanghai without the payment of the additional luxury taxes imposed during the month of August by the Nationalist Government, the U. S. Consular Court, Nelson E. Lurton on the Bench, decided September 24 that the Court had no jurisdiction to compel the Robert Dollar Co. to hand over the cargo without the production of the Customs receipt as required by the Nationalist customs regulations, the Robert Dollar Co. being under bond to the Customs not to release cargo unless the Customs receipt was produced showing, what duties had been paid.

In giving his decision, Commissioner Lurton stated that a diplomatic, and not a legal, question, was involved and the plaintiffs would have to seek relief through diplomatic channels. Mr. Lurton in the course of his decision said "A certain faction of the Chinese people have assumed control of their government's customs at Shanghai and in the face of binding treaties which to any country maintaining a high standard of civilization should be scrupulously executed, have totally disregarded these treaties."

It will be remembered that in a similar case brought in the British Court several weeks ago the Court ordered the British shipping company to hand over cargo similarly held without paying the new surtaxes. When the case of Longfellow & Adams versus the Robert Dollar Co. previously had come up in the U. S. Consular Court, the proceedings were suspended on the strength of a message from the Chinese Commissioner of Foreign Affairs that the new taxes had been postponed. In the words of F. J. Schuhl, counsel for the plaintiffs, "We found, however, that the postponement only held good for an hour. Therefore the case was resumed."

Notice of appeal has been given by the plaintiffs against the decision given by Commissioner Lurton, and in a few weeks the case will be heard again before Judge Purdy in the U. S. Court for China.

It may be mentioned in this connection that in accordance with the decision given in the British court, the British shipping companies have released similar cargo (which happens to be intoxicating liquors) without the payment of the luxury taxes, and British merchants have expressed the opinion that as things now stand, importers will avoid shipping their cargo, particularly such as that to which the additional luxury taxes apply, by American ships.

England Also Has a 'Sacco-Vanzetti' Case

The August 17 number of the British magazine *Truth*, published in London, calls attention to the fact that Great Britain also has a 'Sacco-Vanzetti' case which has been hanging fire for some 18 years. *Truth* called attention to the British case, which concerns a man named Oscar Slater, owing to the criticism which has appeared in the British press regarding the legal delays in the Sacco-Vanzetti case in Massachusetts. According to the report in *Truth* Oscar Slater, a German Jew was accused of beating to death an old woman, presumably for the purpose of robbery. He was tried and convicted to death by only a majority vote of a Scottish jury, upon evidence which, to quote from the report, "is from beginning to end faulty and inconclusive." Slater was an alien and practically without friends, but despite this fact the impression was so strong that his guilt had not been proved, that strong representations were made to the Scottish Secretary. There was no Court of Appeals in Scotland at that time, just as there is no court of this character in Massachusetts today, but as a result of the representations, Slater's sentence was altered to life imprisonment.

The case has frequently been brought to public attention in England and has even been mentioned in Parliament, but despite the fact that 18 years have elapsed, Slater is still in the penitentiary. The editor of *Truth* in commenting on the Slater case said. "On what ground Slater's sentence was commuted to life imprisonment, is yet to be explained. Either the man was guilty or he was innocent. If he was guilty it would not only be just but vastly more humane to hang him at once than to keep him in penal servitude for the rest of his life (he was only thirty-seven at that time) . . . To my mind the conviction and sentence constitute a miscarriage of justice almost without parallel in the history of British courts. I would go further. I think the conduct of the case by the police was from first to last grossly discreditable . . . I am glad that several of the London newspapers have lately bestirred themselves in behalf of Slater . . ."

Publisher of Kansas City Star Dies

Irwin R. Kirkwood, editor and publisher of the *Kansas City Star* one of the leading newspapers of the United States, died suddenly in Saratoga Springs, N. Y. on August 29, his death being due to hemorrhages of the stomach. Mr. Kirkwood's death brings additional complications in reference to the ownership of the *Star* which began with the death of Col. W. R. Nelson, owner of the newspaper in 1915. Col. Nelson provided in his will that the newspaper property was to go to his daughter, Mrs. Irwin R. Kirkwood, and in the event of her death the property was to be sold and the proceeds devoted to the establishment and endowment of an art museum in Kansas City. Mrs. Kirkwood died suddenly about two years ago and in accordance with her father's will the property was sold for G. $11,000,000 to a syndicate composed of employes of the paper including Mr. Kirkwood, who became publisher. Ralph Stout, editor of the *Star*, who was in Shanghai on a trip through the Orient when he received word of Mrs. Kirkwood's death, hurried home to assist in the reorganization, but suddenly became ill and died shortly after arriving in Kansas City. Mr. Kirkwood, in addition to his interests in the *Star* was also a director of the *Associated Press*.

Pan-Pacific Association Celebrates 'Balboa' Day

Dr. C. T. Wang, former Premier and Minister of Foreign Affairs, and Rev. Father Cerezal, Procurator of the Spanish Augustinian Mission were the guests of honor and speakers at the annual commemoration of 'Balboa' Day by the Pan-Pacific Association in Shanghai on Tuesday, Sept. 27. Roberto Spotterno, recently appointed Spanish Consul in Shanghai presided. Father Cerezal in his address on the subject, "Pioneers and Balboa" explained that it was due to the activities of the early Spanish explorers that Europe learned of two new continents lying to the west. But for the support given by Spain Columbus's discovery of America would not have been possible.

Dr. Wang in his address declared that Balboa's enterprise "was no discovery to the Chinese or the Japanese where the 'East Ocean' had been known for for centuries prior to Europe's discovery." In referring to China and her civilization, Dr. Wang quoted Dr. Hu Shih's statement that "China was in a wheel-barrow civilization while the West was in an airplane civilization," and remarked that some people thought that China was moving too rapidly now and were calling the Chinese 'bolsheviks.' He predicted the development of a new civilization in the future which would combine the best of the East and West.

New Books of Interest in the Far East

"We Call it 'Graft' in America"

Revelry, a novel by Samuel Hopkins Adams. Boni and Liveright, New York, 1926.

As a Chinese observer of the international scene, I have often wondered why Britishers get so heated with moral indignation over Chinese "squeeze" when they witness the sale—or purchase—of titles in their home country. Why is a be-knighted or be-lorded pork-packer or soap-boiler who made discreet contributions to a dominant political party morally superior to a Chinese official who accepts "squeeze" in exchange for special consideration to the squeeze-giver?

And after reading "Revelry" by Samuel Hopkins Adams, I am just as convinced that the Americans also have no honest ground for moral indignation over our national failing. "Revelry" is jacketed as the real story of the Harding administration. It is certainly not a pretty tale. Here is a picture of a President of the United States surrounding himself, for friendship's sake, with as evil-smelling a lot of crooks as ever worked out a dirty deal in the backroom of a saloon. Some of the facts Adams tells fictionally came out as sober reports in American newspapers, of course. The place Harry Sinclair, the oil man, had in Harding's nomination, in exchange for the promised appointment of Fall as Minister (no, secretary) of the Interior; the foul part that Harry Daugherty played in the Attorney-general's office; the scandals about the rehabilitation hospitals for America's wounded heroes of the great war—all this is now newspaper history. The tale of the machinations back of these scandals is all told in Adams' book. Yet Harding's own place in it all was, in his way, innocent. That is to say, he himself was not a "grafter" as the Americans call an official thief. He was a man's man, who always remembered his friends, especially his comfortable and low-brow friends, who liked poker and whiskey, with whom he could be at ease in his shirt-sleeves, and call, and be called, by first names. He was a good man, but incredibly weak. He kept himself clean by a miracle of kindliness and good-will. He was a small man, morally, who considered it the highest good to be kind to one's political friends. He looked upon his rise to the Presidency of the United States merely as an opportunity to help the friends who had helped him. That they made swine of themselves and filched the public funds was not unknown to him. That is made plain enough. He was indignant about it but he "stood by."

What is the situation in China? Much the same. Tuan Chi-jui knew many of his Anfu clique were crooks and squeezing thieves, but the old Chinese tradition of loyalty to friends kept Tuan from ever breaking with them. In his case, to be sure, he too was a grafter. But take the case of Wu Pei-fu, against whom none has ever levelled the accusing finger of squeeze charges. He accepted the friendship, and the financial help, of such a man as Tsao Kun, who is enormously rich out of the public coffers.

We call it squeeze in China. In America they call it graft. In Britain I do not know what they call it, but feel sure it is a pleasant, smooth sort of word. The Spaniards have a word for it, which I fail at the moment to remember. The Western World, because of Christianity and the "moral code" seeks to cover with the cloak of hypocrisy. In China we have almost accepted it as part of the system. In fact, in imperial days, it was definitely a part of the system. A farmed-out province, bought and paid for, could become profitable to the imperial appointee only through squeeze. He had no salary or allowances. In the West much the same graft exists, but it is lied about. "One does not talk" about these things.

Comes along a novelist like Adams who insists upon talking about them, exposing by his loud-speaking one of America's idols. (All America's presidents become idols. Harding, who tolerated the worst era of high graft in America's history, is an idol. Even Coolidge, of whom it is doubted whether he is capable of cerebration of any kind, is an idol.)

But Adams' moral, the last paragraph of his book, applies in China as it does in America and all the west:

"Friendship in politics undermines more principles than fraud, and gratitude is worse poison than graft."

T.Y.K.

Dr Needham Gives Lecture on Economic Insects

Dr. J. G. Needham, professor and head of the entomology department of Cornell University, gave a lecture at the Futan University, Kiangwan, September 26 on Economic Insects. In the course of his lecture Dr. Needham stated that mosquitoes and flies are the two worst insects to mankind; they not only annoy and bite, but also transmit diseases.

Who's Who in China

Mr. Kungchen Koo
顧戈公振

Mr. Kungchen Koo was born in 1891 at Tung Tai, Kiangsu Province. In 1911 he enrolled in the law course at Shun Chou University, Shanghai. In 1912 he joined the Yu Chen Publishing Company as editor, and, at the same time, he joined the *Shih Pao*, first as local editor and afterwards as editor-in-chief, which position he held for fifteen years.

In the month of January last, Mr. Koo left China for Europe for the purpose of studying the international situation in the various countries. While in Europe, Mr. Koo has shown great activity in interviewing statesmen, such as Sir Austen Chamberlain, British Minister for Foreign Affairs; M. A. Briand, French Minister for Foreign Affairs; Signor Mussolini, Italian Prime Minister and Minister for Foreign Affairs, and others with a view to promoting the cause of the Nationalist Movement in China.

Mr. Koo has attended many international conferences in Europe, such as the Council of the League of Nations, the International Economic Conference, the International Labor Conference, the Conference for the Limitation of Naval Armament, the International Conference for Communications and Transit, the Universal Theatre Conference, and so on. Owing to his long experience in the field of journalism, the Council of the League of Nations invited him to attend the International Conference of Press Experts which was held in Geneva from August 24th to 29th, 1927.

Mr. Koo is the author of "The History of Chinese Journalism" and of the "Handbook of Journalism", and was Professor of Journalism in Southern University, National University and Great China University in Shanghai. He served on several occasions as Executive Secretary of the Shanghai Journalists' Association.

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STOCK	Previous Price	Latest Price
Allied Chemical & Dye (Common)	158⅞	159
American Can (Common)	62⅞	62⅝
American Radiator (Common)	140⅜	137½
Amer. Smelting & Refining (Common)	176⅝	175⅜
American Telephone & Tel. (Common)	174⅜	175¼
American Tobacco "B"	149	148⅞
Baldwin Locomotive Co. (Common)	250	249
Bethlehem Steel (Common)	61½	60⅜
Bethlehem Steel, Pfd. 7%	117½	116
Baltimore & Ohio (Common)	120¾	120
Canada Dry Ginger Ale (Common)	54⅜	54
Cheasapeake & Ohio (Common)	195½	198¾
Eastman Kodak Co. (Common)	169	167½
General Baking "A"	72¼	71¼
General Electric (Common)	136¼	134¼
General Motors (Common)	264¾	232½
Goodrich (B.F.) Co. (Common)	84½	83
International Match, Pfd.	mutilated	80
International Nickel (Common)	69¼	70½
Ligget & Myers, Class "B"	123	122
Mack Trucks (Common)	104½	110¼
New York Central (Common)	168	166⅜
Packard Motor Car Co. (Common)	41	44
Phillips Petroleum (Common)	42⅞	42⅜
Pacific Gas & Electric	44⅞	44¼
Radio Corp. of America (Common)	63¾	63⅝
Reynolds Tobacco, Class "B"	148	149⅜
Standard Gas & Electric (Common)	64½	64⅞
Schulte Retail Stores (Common)	54½	53¾
Southern Railway (Common)	132	131⅝
Standard Oil of California	53⅜	53½
" " of New Jersey	39½	39⅞
" " of New York	31⅜	31⅞
" " of Indiana	73½	73⅝
Texas Corporation (Common)	50⅝	51¼
Tobacco Products A	110⅝	111½
Union Carbide	137½	135⅞
Union Pacific RR. (Common)	188	188½
United Fruit	142	142¼
United Drug (Common)	174	172½
United States Rubber (Common)	55¾	56¼
United States Realty & Imp.	62	62⅛

American Gold Bond Quotations

Name of Security	Coupon Rate %	Date of Maturity	Sale Price Sept. 15th	Sale Price Sept. 22th	Approx. Yield to Maturity Sept. 22th
Czecho Slovak Govt. Sinking Fund Loan...	8	Oct. 1, 1952	108	108	7.30
Czecho Slovak Govt. Ext. S. F. Loan.....	7½	Oct. 1, 1945	105¾	105⅝	6.95
Repaolic Chile S.F. Loan	7	Nov. 1, 1942	102	101⅝	6.85
Argentine Ext. S.F. Loan	6	May. 1, 1960	99½	99½	6.05
Italy, Ext. S. F. Loan..	7	Dec. 1, 1951	96⅝	96½	7.30
Austrian S. F. G. Loan..	7	June 1, 1943	103	102⅞	6.70
French Ext. S. F. Loan	8	Sep. 15, 1945	111¼	111⅛	6.90
Japanese Govt. (£).....	5	1907/1947	Ex Coupon	83⅝	6.45
German Govt. S. F. Loan	7	Oct. 15, 1949	107	107	6.40
Deutsche Renten Bank 1st Lien Farm Loan	7	Sept. 15, 1950	101½	102	6.80
Saxon Public Works Inc. 1st Mtge. S. F. Loan ..	7	Feb. 1, 1945	102⅛	102⅛	6.75
German G.E.C.S.F. Loan	7	Jan. 15, 1945	104⅞	104	6.60
Finnish Guaranteed Municipalities S. F. Loan...	6½	Oct. 1, 1954	99¾	99½	6.55
Chicago Rapid Transit 1st. & Refunding Mtge.	6½	July 1, 1944	99	99	6.60
Northern Ohio Power & Light Co. Debentures.	6½	Jan. 1, 1941	100	100	6.50
Cuban Domin. Sugar Co. 1st Lien S. F. Loan...	7½	Nov. 1, 1944	101¼	101¼	7.35
Camaguey Sugar Co. 1st. Mtge. S. F. Loan.....	7	Oct. 15, 1942	100¾	100¾	6.90
Pennsylvania Dixie Cement Cumulative...	7	Pfd. Stock	94	94	7.45
Victor Talking Machine Company Cum, Prior	7	Pfd. Stock	97½	97½	7.18
Willys Overland Co.....	7	Pfd. Stock	95	94	7.45
The National City Bank of New York.....	20	Stock	750	730	2.77
Republic of Peru, Ext. Secured S. F. Loan...	7½	Sept. 1, 1956	105½	105½	7.05

The National City Company, The National City Bank Building, No. 2A Kiukiang Road, Shanghai, China.

Shanghai Exchange for Week Ending Wednesday, September 28, 1927

By Maitland, Fearon and Brand

Exchange:—Only minor fluctuations in the price of Bar Silver in London have occurred during the past week, today's price 25⅝d. ready and forward is the same as that ruling this day last week. The official T/T rate on London remains unchanged 2/6d The exchange market has ruled very quiet during the week and business in regard to imports and exports is still very small.

Speculators have established an oversold position in gold currencies but not to any great extent. The market closes dull with the following rates available:—T/T London 2/6 1/16d., New York 61⅜, Yen 75¾.

Our stocks of silver are reported as follows:—

Sycee and Bar Silver.....Tls. 64,402,000 a decrease of Tls. 346 000

Chinese and Mexican Dollars..... $ 81,280,000 a decrease of $ 1,150,000

Estimated value Tls. 122,924 000 as against Tls. 132,049,000 held at this time last year.

	Average rates for Aug.	Thursday Sept. 22	Friday Sept. 23	Satur Sept. 24	Monday Sept. 26	Tuesday Sept. 27	Wednesday Sept. 28
Bank's selling rates		*opening closing*	*opening closing*	*opening closing*	*opening closing*	*opening closing*	*opening closing*
T/T London	2/5 471	2/6	2 6	2/6	2/6	2/6 1/16	2/6
D/Dfts ,,	—	2/6 1/16	2/6 1/16	2/5 15/16	2/6 1/16	2/6 1/4	2/6 1/16
4 m/s ,,	—	2/6 1/4	2/6 1/4	2/6 1/4	2/6 1/4	2/6 1/4	2/6 1/4
T/T India	164.615	166¾	167	167	167	167	167
T/T France	1,523.269	1550	1550	1550	1550	1550	1550
T/T N. Y.	59.692	60 3/4	60 3/4	60 3/4	60 3/4	60 3/4	60 3/4
T/T Demand		60 7/8	60 7/8	60 7/8	60 7/8	60 7/8	60 7/8
T/T Hamburg		255½	255½	255½	255½	255½	255½
T/T H'kong	80.173	79½	79¾	79½	79½	79½	79½
T/T Japan	79.413	76⅜	76⅝	76¼	76⅜	76¾	76¼
T/T Batavia	148.433	151¼	151⅓	151¼	151¼	151¼	151¼
T/T Straits	94.423	92¾	92¾	92¾	92¾	92¾	92¾
Bk's buying rates 4 m/s B/L. Cred. D/A	2/7.471	2/8	2/8	2 8	2/8	2/8	2/8
4 m/s ,, D/P	—	2/8⅛	2/8⅛	2/8⅛	2/8⅛	2/8⅛	2/8⅛
6 m/s ,, B/L Cred D/A	2/7.783	2/8 5/16	2/8 5/16	2/8 5/16	2/8 5/16	2/8 5/16	2/8 5/16
4 m/s B/F Cred D/A or D/P	1,653.269	1680	1680	1680	1680	1680	1680
4 m/s N.Y.Lc	63.173	64¼	64¼	64¼	64¼	64¼	64¼
4 m/s ,, Docs	—	64¾	64¾	64¾	64¾	64¾	64¾

†Based on Daily Official quotation, higher rate taken on rising Market, lower when falling Bullion.	Sept. 22	Sept. 23	Sept. 24	Sept. 26	Sept. 27	Sept. 28
*London Price of Bar Silver per oz. (English Standard 925 touch)...Pence	25⅝	25⅝	25⅝	25 13/16	25 11/16	25⅝
**New York Price of Bar Silver per oz. (Pure)	G. $.55¼	G. $. 55⅝	G. $. 55⅝	G. $. 56	G. $. 55⅝	G. $.55⅝
Shanghai Price of Gold Bars (weight Tls. 10 (Chanping) 978 touch).....	Tls. 369 80	Tls. 366 80	Tls. 366 90	Tls. 369 20	Tls. 371 20	Tls. 371
Shanghai Silver Bars (weight Tls. 100(C.)999 touch)	110 90	110 90	110 00	110 00	110 00	110 00
Shanghai Mexican Dollars per $100....	72.7	72.7	72.75	72.675	72. 7375	72.85
Native Bank Rate of Interest (Call money).....	2%	2%	2%	3%	3%	3%
*Closing Price in Lond on for Previous day						
**Closing Price in New York for Previous day						

Bank of England rate of discount	4½%	London Paris on	T/T 123.96
Bank of France rate of discount	5%	New York on London	T/T 486 9/16
London open Market of Dis. 3 m/s	4 5/8%	Bombay on London	T/T 1/5 3/32
,, 4 ,,	4 3/8%	Hongkong on London	T/T 1/11 5/8
,, 6 ,,	4 5/8%	Kobe on London	T/T 1/10 13/32